

FEBRUARY 2, 1987

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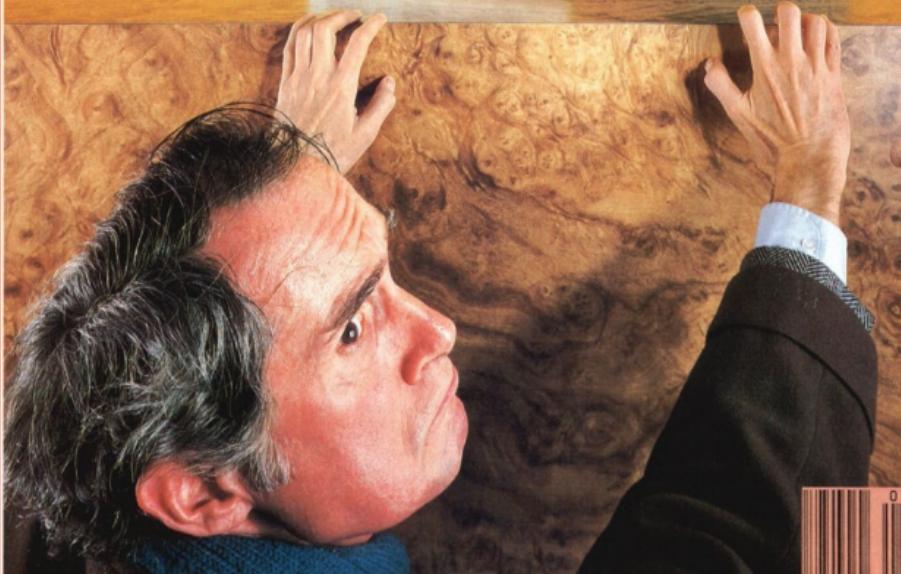
TIME

Death in
Manila

THE HAPLESS AMERICAN CONSUMER

Why Is Service So Bad?

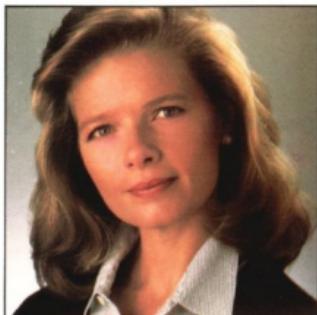
OUT TO LUNCH



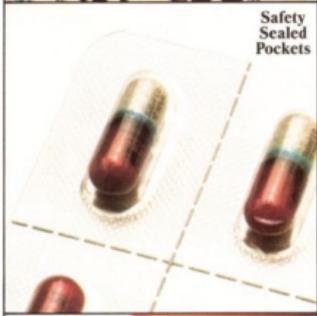
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INTRO
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COVER: Cry of the consumer: What ever happened to good service?

Flight attendants, salesclerks and bank tellers all seem to have become too scarce and too busy to give customers much attention nowadays. As businesses have tried to slash costs over the years, the pay, training, prestige and performance of service personnel have suffered. As a result, consumers must be smarter and tougher than ever to get what they want. See ECONOMY & BUSINESS.

48



NATION: An ugly Georgia confrontation 18 spotlights the persistence of racism

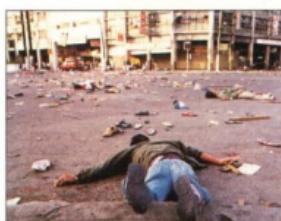
Veterans of the '60s march again as racial hostility in the U.S. seems to be increasing. ▶ A petty turf battle within the CIA may have triggered the Iran arms-for-hostages scandal. ▶ Congress and the White House gear up to put a new trade law on the books. ▶ A TIME correspondent lives on the streets of Philadelphia to report on the agony of the homeless.



WORLD: A bloody clash in Manila leaves twelve dead—and Aquino in trouble

Marines guarding the presidential palace fire on protesting farmers, and talks with Communist rebels collapse. ▶ In Beirut more Americans are taken hostage in a dramatic mass kidnaping following the arrest of a suspected terrorist in West Germany. ▶ Thousands flee north as Iranian shellfire turns the Iraqi port city of Basra into a pockmarked wasteland.

34

**60****Law**

Seeking alternatives to overcrowded prisons, courts are punishing the guilty with humiliation, fines and "electronic shackles."

62**Ethics**

New developments in AIDS drugs and vaccine research programs confront doctors with fateful decisions in treating patients.

73**Cinema**

Woody Allen evokes his and America's dear old *Radio Days*. ▶ Shelley Long and Bette Midler hit pay dirt in *Outrageous Fortune*.

77**Dance**

Peter Martins has proved there is life after Balanchine at City Ballet, not to mention fresh young talent and a thriving box office.

63**Health & Fitness**

Concern over AIDS leads TV and print media to change policy on condom ads. ▶ Outside the U.S., commercials can be very explicit.

78**Art**

The august Metropolitan Museum becomes a major center of modernism as it opens a huge wing devoted to 20th century works.

70**Books**

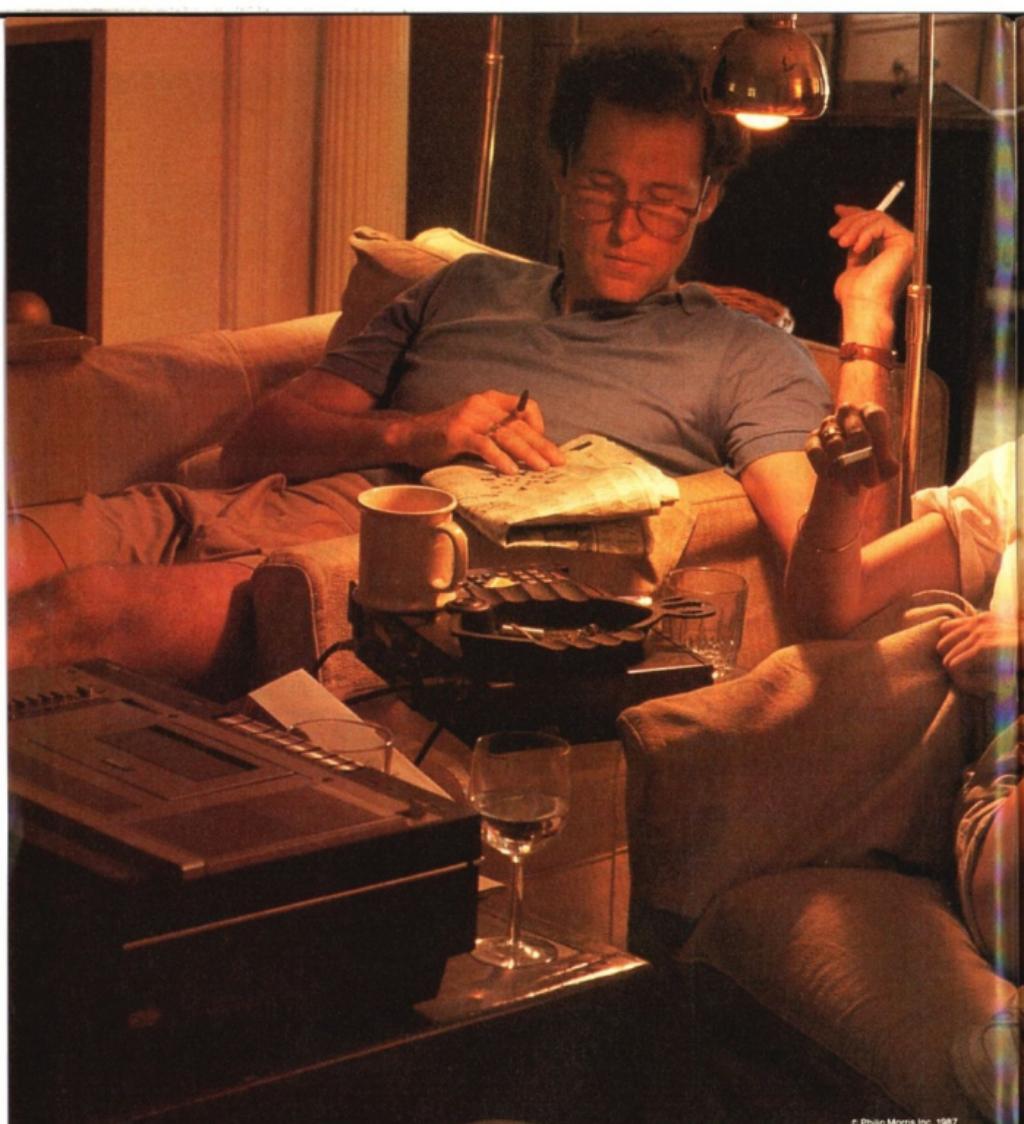
The Panic of '89 pits the haves against the have-nots. ▶ *The Fatal Shore* brilliantly traces the tragedy of Australia's beginnings.

80**Music**

He has been on the cutting edge since Genesis, but the success of *So* has brought Peter Gabriel the biggest hit of his solo career.

12 Letters**66 People****68 Computers****68 Milestones****Cover:**

Photograph by
Ulf Skogsbergh



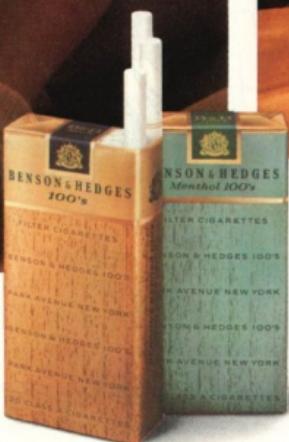
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A Letter from the Publisher

Since 1985 I have used this column to tell you the story behind the stories in TIME and to acquaint you with the people who produce the world's pre-eminent newsmagazine. Beginning next week, I will bequeath this responsibility to Robert L. Miller, TIME's new publisher, and his signature will take the place of mine at the bottom of this weekly letter.

I am leaving the publisher's chair to begin working with all of Time Inc.'s magazines as senior vice president responsible for addressing advertising sales opportunities, issues and policies. Though last year was a difficult one for the entire industry, TIME not only maintained but enhanced its leadership in the magazine field. We increased our edge in advertising revenue and had the largest share of ad pages in all newsmagazines for our strongest showing in two decades. Reader demand for TIME also remained strong. In the U.S., our circulation exceeded our guaranteed rate base by 232,395 copies in 1986, compared with 96,320 in 1985. That brought our weekly U.S. sales total to more than 4.8 million copies, reaching more than 23 million readers. In addition, readers buy 1,341,500 copies a week in 92 foreign countries, bringing our total circulation to more than 6 million.

I am proud to have been associated with TIME's journalistic excellence, which has included exclusive interviews with Ronald Reagan, Corazon Aquino and Ethiopia's Mengistu Haile Mariam.



Richard Thomas with new Publisher Robert Miller

Our coverage ranged from the protracted agony of South Africa to the outpouring of People Power in the Philippines, the tragedy of *Challenger* to the triumph of *Voyager*, the classical genius of Pianist Vladimir Horowitz to the postmodern wit of Pop Singer David Byrne. And we continue to receive accolades from our peers. In 1986 TIME won the National Magazine Award for excellence in design, and the Overseas Press Club singled out TIME photographers for the Olivier Rebot Award for photographic reporting and the Robert Capa Gold Medal for enterprise and courageous photojournalism.

I am confident these achievements will continue under my successor, who will be the eleventh publisher of TIME. A native of Los Angeles, Miller earned an M.B.A. from the Columbia Business School before joining the controller's office at Time Inc. in 1974. By 1983, when Miller became publisher of *SPORTS ILLUSTRATED*, he was, at 34, one of the youngest ever named to that position at any of the company's magazines. Says Miller of his new assignment: "I'm honored and excited to have the opportunity to work with many of the best people in the magazine business."

Richard B. Thomas

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Whether you're shopping for six, or skating at 6:00, this super strong tote bag can handle anything you've got to carry. Heavy duty 100% cotton canvas ensures durability while a roomy 24"x15"x8" size accommodates anything you want to pack. A short strap allows for either hand or shoulder carrying.

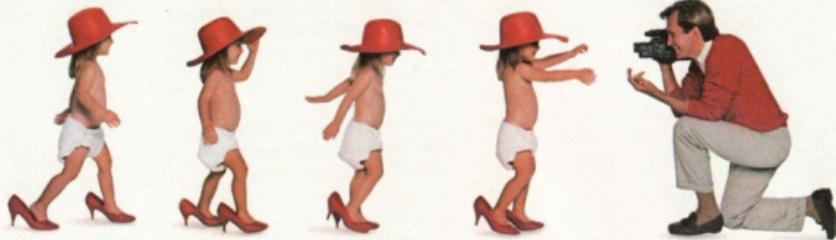
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When you live in the fast lane,

Imagine, if you will indulge us for a few moments, approaching a stop light in an Acura Legend. Inner city, suburban, the countryside, wherever strikes your fancy.

Almost silent, most certainly serene, you glide to a halt next to one of those European freeway fliers that seem to consider decibels necessary accompaniment to horsepower.

There may be an inquisitive sidelong glance in your direction, but no more than that. The Legend is not an automobile that garishly

promotes its performance. Its graceful lines and perfect finish afford a quieter elegance which only hints at the potent 151 hp, 24-valve fuel-injected V-6 powerplant whispering beneath the hood.

The light turns to the magic color. And with a 0-50 time of 6.1 seconds you treat your acquaintance to a much closer look at the Legend. The aerodynamic rear deck in particular.

Quietly pleased, you continue swiftly down the highway (always within legal limits, of course).

You bask in the silence



The optional leather interior. A haven of luxury and quiet.



it's nice to be quiet about it.

of precision—62 db at 55 mph. You enjoy detail-perfect ergonomics. You luxuriate in the kind of comfort that only comes with a car designed around the driver. (As just one small but delightful example, the volume control on the graphically equalized AM-FM stereo cassette is duplicated right at your fingertips.)

Meanwhile, with the unique combination of double wishbones up front and Reduced Friction Struts in rear, the suspension actually seems to straighten any bends that come your way. While potholes and other obstacles to lesser vehicles come and go in a Legend with hardly a murmur.

This, clichéd but true, is driving as it was meant to be.

This, as *Autoweek* says of the Legend, "is as good as it gets" (September 1, 1986).

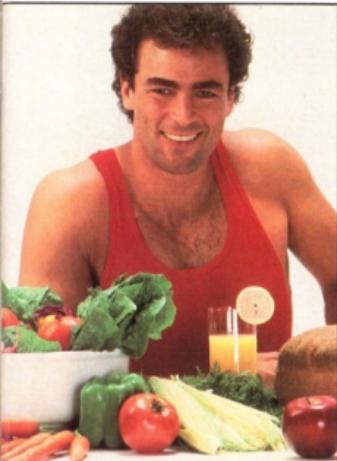
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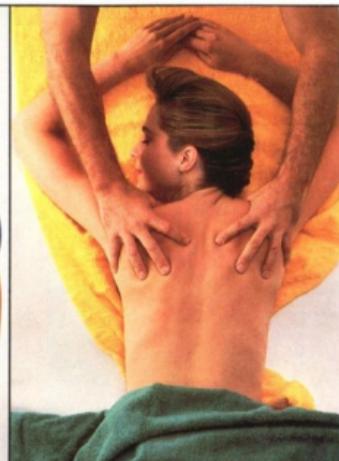
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Letters

Troubled Skies

To the Editors:

To the airline industry I say, If you want to cut fares, go ahead, but for God's sake do not skimp on maintenance, salaries for experienced personnel and other safety factors [NATION, Jan. 12]. I would rather pay a higher fare and live than get a discount and never see another day.

Cheryl Dalti Charest
Hamilton, Ohio



Your cover story on air-travel safety was badly out of focus. You simply cannot slough off the fact that 1986 was one of the safest years in civil-aviation history: U.S. scheduled airlines carried more than 400 million passengers without a single fatality. That feat did not just happen. It was the result of an emphasis on air safety that has made the U.S. air-travel system the safest in the world.

Donald D. Engen
Federal Aviation Administrator
Washington

As the head of the FAA investigative group that reported on Continental Airlines, I was particularly interested in your story about our special inspection of Continental in 1984. The significance of some of our findings cannot be overemphasized. Many of the problems were directly attributable to the economic difficulties the company was suffering at the time. Still, it was unconscionable and irresponsible of the FAA to permit the company to continue its expansion full blast under these circumstances. Statements by the Continental spokesman and FAA Chief Donald Engen that the episode boils down to a "labor-management issue" are quite misleading. The situation our group encountered was fraught with potential for hazard and was further exacerbated by the local FAA's permissive and sloppy oversight procedure, which was later condemned by Washington headquarters. We are relieved that Continental came through that period with no casualties. This accomplishment was certainly not

the result of the airline's respect for federal air regulations and accepted practice in the industry.

Harry A. Langdon
San Mateo, Calif.

TIME's story on air travel asks the question "How safe is it?" The answer is "Perfect." U.S. scheduled carriers had no fatalities in 1986. I am quoted as saying the airline industry is "lucky." What I said was "Does anybody *really* think it's luck when you run 6 million flights without a fatality?" For anyone to attribute the industry's peerless safety record to luck is ludicrous.

William E. Jackman
Assistant Vice President
Air Transport Association
Washington

It is pilots, not air-traffic controllers, who direct aircraft. The myth of pilots sitting on their hands while overstressed controllers watch their radar screens is just that, a myth. In addition to dealing with ice, wind shear, thunderstorms, snow and fog, pilots must analyze each controller's transmission, judging the message for safety and determining if it is within the aircraft's capability. New controllers are famous among those of us who fly the planes for asking aeronautically impossible feats of pilots and their aircraft.

Dennis C. Kearns
Burnsville, Minn.

On a holiday trip last year, I flew from Oklahoma City to San Francisco and then back again. I changed planes in Dallas both going and returning. Although I flew during the busy end-of-the-year travel season, I found all four flights flawless. Best of all, I received a 60% discount on my ticket by purchasing it early. Air travel in the U.S. is not only safe, it is inexpensive and efficient.

Jeffrey Beall
Stillwater, Okla.

Propaganda or Education?

In your story on the tough new regulations that have been imposed on South Africa's black schools [WORLD, Jan. 12], you refer to the alternative instruction provided by black militants as "little more than revolutionary rhetoric." People's education, as these classes are called, is an attempt by oppressed South Africans to repair the damage caused by the classroom propaganda that the Pretoria government calls education. These alternative classes are revolutionary in that they seek to debunk the separatist ideology that contaminates South African education. For the most part, people's classes are conducted in an open atmosphere of discussion and debate, an ancient pedagogical method unknown to the providers of apartheid education.

Harold Graham Harvey
Cape Town

Implants from Unborns

What could be more wonderful than using fetal-cell implants to heal the living [MEDICINE, Jan. 12]? If a life can be prolonged or made better by using cells from an aborted fetus, then we should do it and not harp on the rights of the unborn.

Kate C. Hasbrouck
Thorofare, N.J.

I had thought human sacrifice was a thing of the past. Upon reading your article, I realized I was wrong. The ends do not justify the means in the use of aborted fetuses as organ and tissue donors.

Mary Alice Altorfer
Santa Maria, Calif.

As a Roman Catholic, I do not agree with voluntary termination of a pregnancy. Yet what better way to benefit medically from this continued practice than to use the aborted for fetal-cell surgery? I view this technique as similar to organ donation, with the purpose of prolonging or improving the life of another.

Molly Cassidy
Royal Oak, Mich.

Invasion of Privacy

In the article "Hitting the Mafia" [NATION, Sept. 29], TIME reported that "agents even admit to dropping snooping devices into a confessional at a Roman Catholic church frequented by mobsters, as well as a church candlestick holder and a church men's room. All this, agents insist, was done with court permission."

Having investigated the veracity of this report, we feel that you owe us a correction. Since the publication of this article, we have had numerous calls from concerned Catholics. Your irresponsible reporting of a grossly exaggerated statement from some unidentified "agents" somewhere in the U.S. has confused many and may have caused serious damage to the practice of the Catholic Church—not to mention the damage this has done to your own credibility.

Jean P. Puttheneetil, Executive Director
Greater New York Chapter, Catholic League for Religious and Civil Rights
New York City

According to TIME's source, the confessional and other parts of the church were bugged without the court's or the church's permission. TIME regrets the error.

Black and White in Color

Your article on film colorization made me see red [ESSAY, Jan. 12]. Why should anyone stop at tampering with the movies? Why not carry this mania for enhancement still further? Colorize *Ansel Adams' Moonrise, Hernandez, New Mexico* or add blue and gray to *Mathew Brady's Civil War photographs*.

Vince Danca
Rockford, Ill.



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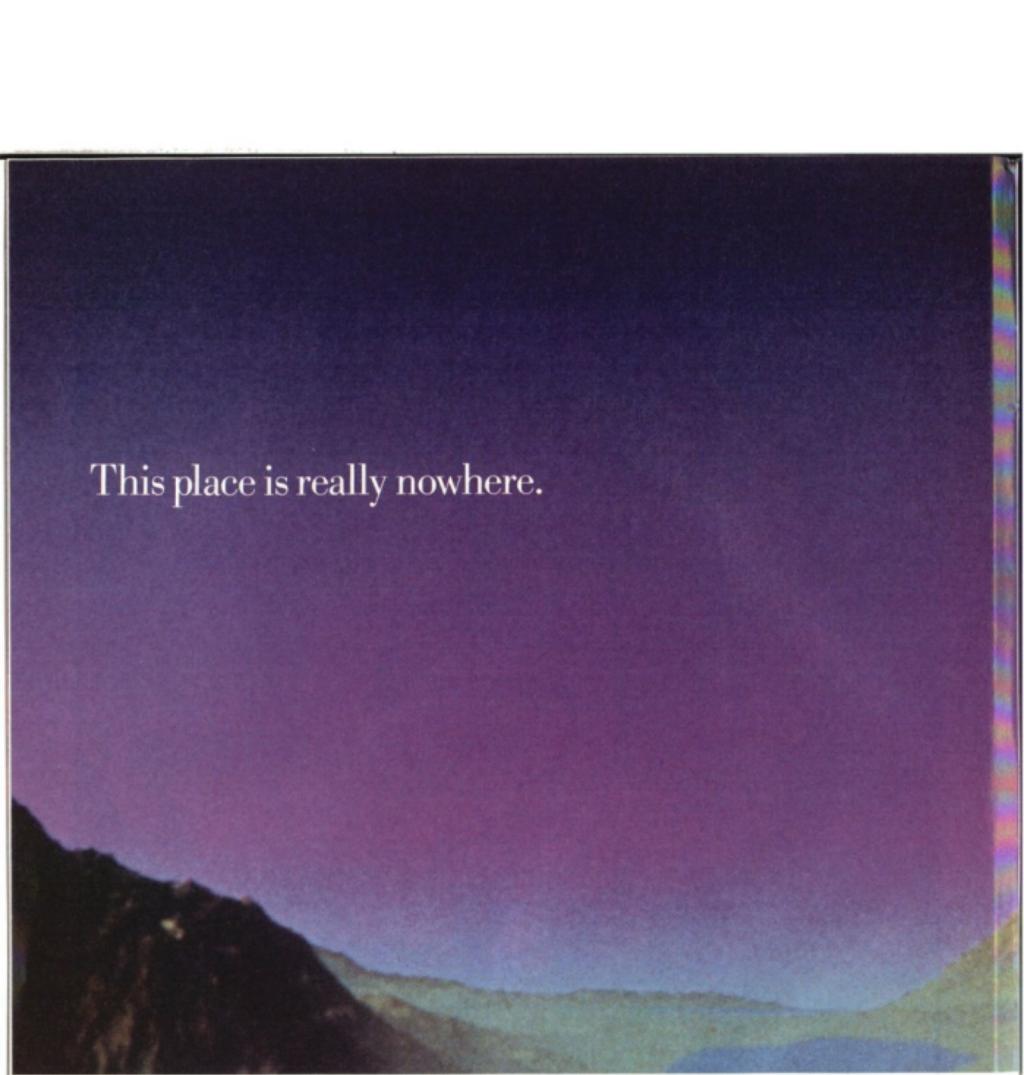
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This place is really nowhere.

This mountain exists inside a computer, and can be seen on a computer screen. It was built only with numbers. And it exists only because of one man's idea.

The man is Benoit Mandelbrot, a mathematician and an IBM Fellow. And his idea is known by the name he gave it: fractal geometry.

This geometry is a new, non-traditional area of mathematics. Now scientists and artists can create computer images—like this mountain—that have all the quirks and irregularities of natural objects. That wasn't possible before fractals, and it's changing the way we look at the world.



Fractal image by IBM physicist Dr. Richard Voss.

Of course, ideas like fractal geometry don't just happen. It takes support and encouragement, which is one reason why the IBM Fellow Program was created. It's a program that gives a select group of IBM scientists and engineers the freedom to take risks, and pursue their ideas wherever they may lead.

Today, there are over 50 IBM Fellows. Their influence on science and computer technology doesn't stop with their innovative thinking.

Because they've also shown us that the freedom to explore ideas can lead to places never imagined before.

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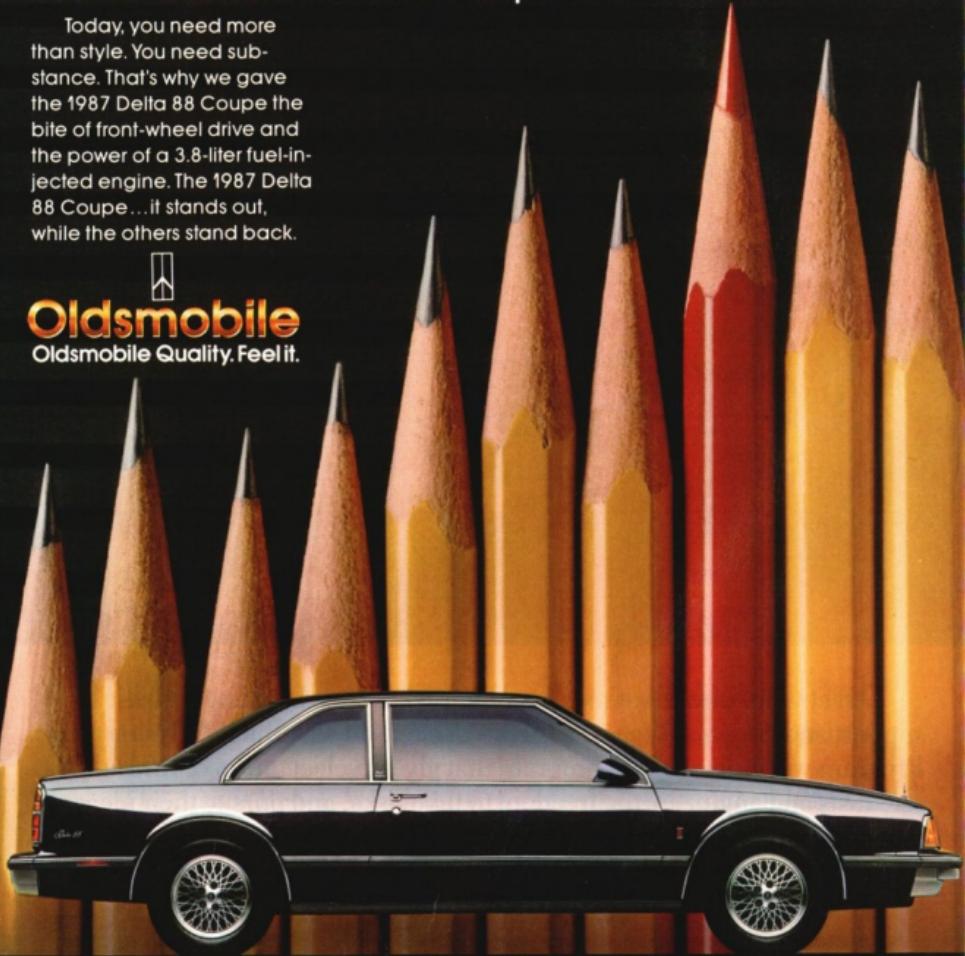
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DELTA 88

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Let's get it together... buckle up.

Letters

Colorization threatens the artistic integrity of black-and-white films. An artist chooses a medium carefully and guides the creation of the work within the parameters the medium imposes. To alter those boundaries, especially with profit as the motive, is to compromise the sensitive relationship between the artist, the medium and the audience. Colorization will not improve the quality of a bad film. But it will jeopardize the delicate visual chemistry of some classic movies.

Mary Lou Wilshaw
Brighton, Mass.

Sadly, Charles Krauthammer misses the major points about colorization of film classics in his Essay. First, it is highly unlikely that the black-and-white versions will "remain readily available." The marketing push will be to recoup the large investment in the newly colorized versions. Second, Krauthammer takes off after John Huston, Woody Allen and the other prominent filmmakers who oppose putting these false colors on beautifully photographed black-and-white films. These men should not be lumped in with sellers of "every conceivable variety of junk." They represent the good guys, the fine filmmakers of today and yesterday who fought the system to make superior films and whose work should be protected so it may be seen as they conceived it by future generations. A great nation must protect its creative heritage from the profaners.

George Stevens Jr.
Washington

The Kinky Turtle

I left New York City more than a year ago with no regrets. I thoroughly empathize with the plaintive incantation Gregory Jaynes uses while trying to cope with the city (AMERICAN SCENE, Jan. 12). Even God must smile when the hymn *Lead On, O King Eternal* is turned into *Lead On, O Kinky Turtle.*

Gregorian Silvestro
Poway, Calif.

A friend of ours grew up on a farm. Whenever a small animal died, the minister's son was asked to say a few words at the interment. It was years before my friend realized that the young man always said, "In the name of the Father, and of the Son, and in the hole you go."

Lillian E. Lehner
St. Louis

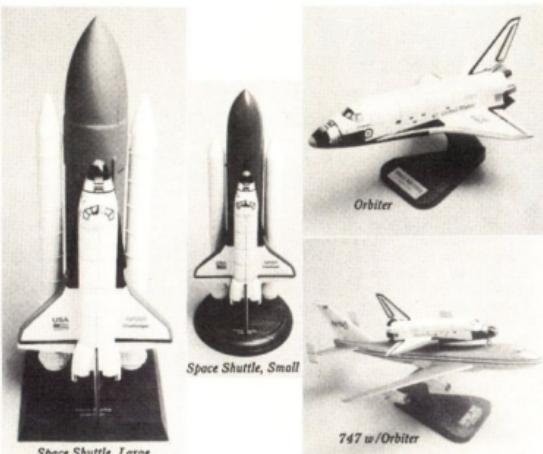
I have enshrined the Kinky Turtle as my second patron saint, right alongside Gladly the Cross-Eyed Bear.

Jim Deitch
Las Vegas

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TIME/FEBRUARY 2, 1987

Racism on The Rise

From Howard Beach to Forsyth County

Their hair was grayer, their faces more lined, but here they all came, marching proudly out of history and onto the newest battlefield of racial conflict. Coretta King, Hosea Williams, Joseph Lowery, Andrew Young—some of them had demonstrated with Martin Luther King in Montgomery, and some in Selma, and some in Washington, and now they had gathered with more than 20,000 supporters to march through Cumming, in Forsyth County, Ga., to protest the immutable racism there and the resurgence of racism elsewhere. And though King had been shot down 19 years ago, this was the week for observing his birthday as a national holiday, and so, in a sense, King was there too.

Jeering at the marchers along the roadway and at the county courthouse in Cumming was a mob of about 1,000 whites wearing the face of hatred. White-robed thugs from the Ku Klux Klan shouting "Go home, niggers!" Out-of-state zealots who call themselves Aryans and dementedly pledge allegiance to Adolf Hitler. Young kids too, in checked shirts and baseball caps, waving the Confederate flag. A few stones were thrown, and one woman was hit by a bottle.

But the marchers, protected by 1,700 National Guardsmen and 500 Georgia state troopers, went on. "Hey, hey, ho, ho, K.K.K. has got to go!" they chanted. And in one of the largest demonstrations in the Deep South since the 1960s, they joined in singing King's old anthem. *We Shall Overcome*. Declared Bernice King, daughter of the martyred leader, at a closing rally: "On behalf of a new generation of civil rights leaders, we graciously accept the leadership when you hand it over."

Though it seemed at times like a reprise of the wild civil rights battles of the 1960s, with television cameras once again dancing attendance, some important things had changed since the days of red-neck heroes like ex-Governor Lester Maddox (who made an appearance with the white supremacists). Said Georgia's current Governor Joe Frank Harris: "We do not and will not tolerate a rabble-rous-

ing, troublemaking element that casts a negative image on a state whose race relations have been marked in large measure by harmony, goodwill and peaceful coexistence." William Bradford Reynolds, head of the Justice Department's Civil Rights Division, was there watching and vowing that violence would not be permitted. As lawmen in helicopters surveyed the long lines of demonstrators throughout their 1 1/4-mile march, the arrays of state police and sheriff's deputies enforced those promises and prevented the noisy confrontation from degenerating into a bloody clash. When it ended, the civil rights leaders and their newly aroused supporters headed for home to Atlanta, New York, California.

Cumming is an odd place for such a highly charged collision. On the western banks of Lake Lanier, about 30 miles north of bustling Atlanta, it is an amiably sleepy town of about 2,000 souls (all of Forsyth County has only 38,000). Its biggest employer is a poultry-processing plant; its biggest social activity for adolescents is drag-racing outside the K mart. But for all its bucolic torpor, Cumming bears a dark stain on its history: an 18-year-old white woman was beaten and raped there one day in 1912 and, before she died, named three blacks as her attackers. One was lynched, the other two tried and hanged before a gloating crowd. There were so many threats against the remaining 1,000 blacks in the county that they all moved out, and not a single one has lived there since.

This latter-day apartheid dismayed Charles Blackburn, a bearded karate instructor who had moved to Forsyth County from California. So he began organizing what he called a walk for brotherhood. Amid threats and lack of support, he called off his plans. Others insisted on going ahead. Soon local Klansmen let it be known that, as Sheriff Wesley Lalraven put it, "they want to exercise their rights also."

When a busload of marchers from Atlanta arrived on Jan. 17, they encountered a swarm of about 300 opponents,



STEVE BRONK

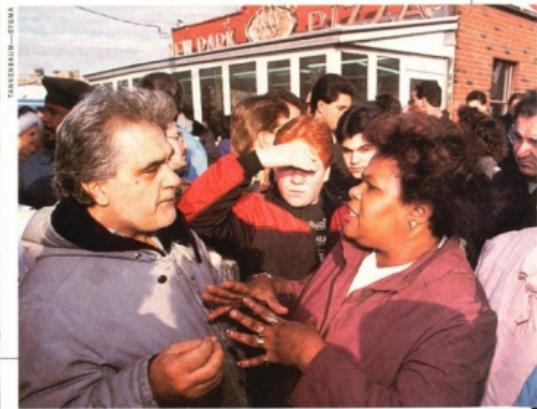
■ **Top: 20,000 demonstrators approach Cumming courthouse**

■ **Bottom left: A week earlier, protesters taunt Forsyth County marchers**

■ **Bottom right: In New York City's Howard Beach, a rally opposing racism stirs debate**



WILLIS—SYNA





Blacks demonstrate in New York City's Greenwich Village

some in Klansmen's sheets, some in military fatigues, who greeted them with rocks, bottles, clots of mud and chants of "Go home, niggers!" Four of the 90-odd marchers were injured, and eight attackers were arrested before the march broke off. "It is amazing," said Atlanta City Councilman Hosea Williams, who was hit twice by flying stones, "that this kind of racial violence can happen in this country in 1987."

That set the stage for the civil rights demonstrators to reorganize the march on a much larger scale last Saturday. It also raised anew the painful questions about the "amazing" persistence of American racism: Where does it come from, and why is it still so strong?

The Liberty Bell in Philadelphia began ringing at the start of Martin Luther King Day last week, and that set off a barrage of high-minded oratory. President Reagan told a TV audience to be "totally intolerant of racism anywhere around you." At a church service in Atlanta honoring King, Secretary of State George Shultz said, "He redeemed the country he loved." Other speakers stoutly argued that such redemption is not yet at hand. "Certainly things have improved over 20 years ago," said Richard Arrington, the black mayor of Birmingham, where Bull Connor once ruled the streets with his attack dogs and fire hoses. "But in the past seven or eight years racial progress has been at a standstill, and I'm inclined to say in a slight retreat."

One indicator—by no means the only one—is simply the number of racist attacks all over the U.S. That number, which is not all inclusive, has increased from 99 in 1980 to 276 last year, according to the Justice Department's community-relations service. Depending on how "racist attacks" are defined, other listings go much higher. In New York City alone, the police department's bias-incident investigating unit reported that such occurrences increased from about four a week to ten a week in just the past month.

Both cause and symptom of that New York City increase—and lately a symbol



Members of the Klan flaunt racist views in Pulaski, Tenn.

of racism everywhere—is the name Howard Beach. That now stands for the ugly pre-Christmas scene in which a gang of eleven youths beat up three black men, one of whom died under a passing car as he tried to escape. After disputed charges of a cover-up, a state-appointed special prosecutor finally took the case before a grand jury last week.

Unmollified, a crowd of 3,000 blacks marched down Fifth Avenue with banners expressing anger over Howard Beach. "We are all angry, we are all oppressed," cried Chris Griffith, brother of the dead man. To antagonists on both sides, Howard Beach is now a kind of battle cry. Two blacks reported last week that they had been attacked by a gang of white youths shouting "Howard Beach!" and two whites reported a similar attack by similarly chanting blacks.

Other names have become almost as symbolic as Howard Beach: for example, the Citadel, the Charleston, S.C., military academy where a black cadet was subjected to racist hazing; or Jefferson Parish, the New Orleans suburb where the sheriff (a Chinese American) made a suggestion (later retracted after a public outcry) that blacks walking in white neighborhoods might be stopped for questioning.

But racism goes far beyond specific incidents of violence and overt bias. It underlies the persistent and worsening economic gap between blacks and whites. Blacks' median income was 62% of whites' median income in 1975 and 56% by 1985, according to a report on *The State of Black America* by the National Urban League. Unemployment among black youths has increased from nearly 25% in 1960 to nearly 40% in 1985. At the same time, according to a 1985 survey, less than 1% of the senior executives at the major companies in the FORTUNE 500 were blacks. In one poll of black business-school graduates, 98% reported subtle forms of racism in their companies. Overall, a record 72,000 complaints of discrimination were filed with the Equal Employment Opportunity Commission last year.

Jamil Abdullah Al-Amin, who issued the famous pronouncement that "violence is as American as cherry pie" when he was known as H. Rap Brown, finds it easy to spread the blame. "Racism is the state religion," says Amin, now the operator of a small dry-goods store in Atlanta. "Racism is to America what Catholicism is to the Vatican. Racism is the religion, and violence is its liturgy to carry it out." More thoughtful observers are less dogmatic. "What causes racism is the most researched question in all of American social science in 80 years," says Thomas Pettigrew, a professor of psychology at the University of California at Santa Cruz. The basic answer is that people still fear strangers or anyone who looks different, and many nations and ethnic groups (not excluding blacks) suffer the same disease in one form or another.

Though racism has ancient origins, it must be taught anew to each child, and the best way to teach it is through ignorance. "Separation of racial groups breeds fear and misunderstanding," says William Taylor of the Center for National Policy Review, a Washington civil rights group. Or as Jomills Braddock of Johns Hopkins elaborates, "When racial groups are separated by segregation—de jure or de facto—stereotypes form. When one group has economic, political and social advantages over the other, the group without becomes negatively stigmatized, and the group with advantages develops aversion to the group without."

There has, of course, been progress. Americans of middle age can still remember when blacks had to move to the back of the bus as it crossed the border from Washington into the Virginia suburbs, when Marian Anderson was not allowed to sing at Washington's Constitution Hall, when Jackie Robinson had to promise not to retaliate if spiked and spat upon as the only black in major league baseball, and magazines periodically published photographs of some charred black body dangling on a rope from a branch of a tree. "In the 1940s," says Pettigrew, "Howard Beach occurred every night of the week."

Postwar prosperity started to change all that, as did the Supreme Court's 1954 decision to desegregate all public schools and the Voting Rights Act of 1964. Black mayors now govern Washington, Chicago, Detroit and Philadelphia, and there are now more than 6,400 black officeholders where there were only a handful a generation ago. Paradoxically, these limited but real successes bring a new twist to racism. "We have more hatred now," says Benjamin Hooks, executive director of the N.A.C.P., "because we've entered a new era, an era of competition for jobs, attention, power. Now we are the people who may get your job, who may be living next to you, who may ask your daughter to marry us. We've come a long way, but it's like nibbling at the edges of darkness." John McDermott, the white director of urban affairs for Illinois Bell, attributes some of the continuing racial tension in this country to the fact that whites judge the same new era differently. "Black Americans are beginning to be seen as just another group in the American mosaic, not entitled to special privileges," he

says. "So many white workers regard affirmative action as a kind of unfair preference for minorities."

Most experts who try to chart the course of racism over the years now believe that the substantial gains of the 1960s and 1970s came to a gradual halt after the election of Ronald Reagan. "The resurgence of racist feelings and continued illegal discrimination are fostered by the Administration's refusal to admit that racism may still be a problem," says Urban League President John Jacob. More specifically, he cites "its efforts to give tax-exempt status to segregated schools, its fight against extension of the civil rights law, its efforts to undermine affirmative action, to destroy the Civil Rights Commission, to stack the courts with right-wingers, its support for South Africa's apartheid government."

Administration spokesmen dispute such charges, claiming that the Reagan Administration has filed more civil rights prosecutions than any predecessor. But

that argument was undercut last week by the resignation of Joseph Cooper, one of the highest-ranking blacks in the Administration, as head of the Office of Federal Contract Compliance Programs. "There seems to be a resurgence of racism," said Cooper, "and there are those who feel they can get away with it because of their perception of this Administration. There is no question that there is a perception that the Reagan Administration has not done much for minorities."

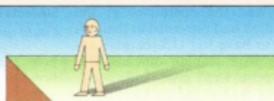
People look to the White House for some sense of what is acceptable, what is right. "Although I can't say Reagan made kids behave the way they did at Howard Beach," says Roger Wilkins, senior research fellow at the Institute for Policy Studies, "whites get the message that the leader of this country, the moral beacon, is saying it's all right to be racist." That judgment was considerably exaggerated, but it nonetheless remains true that any sign of indifference means that the beast is free to prowl.

—By Otto Friedrich. Reported by Joseph N. Boyce/New York and Joseph J. Kane/Cumming

Attitudes in Black and White

Nineteen years after the death of Martin Luther King Jr., black and white Americans alike say the nation is still far from fulfilling his dream of seeing the two races live in

Overall, less than half the black respondents report specific instances of discrimination, although a number cite more than one instance: 32% say they have been discriminated against at work, 25% in school and 16% when trying to rent an apartment or buy a house. But they are far less satisfied than whites with the degree of opportunity for blacks.



Illustrations by G. B. Lutz

harmony. An overwhelming 92% of blacks and 87% of whites polled for TIME last week by Yankelovich Clancy Shulman* agree with the statement "Racial prejudice is still very common in the U.S." Fully 59% of blacks say they have been insulted because of their race at one time or another. But blacks and whites diverge sharply when asked about the reasons and remedies for America's enduring dilemma.

The Roots of Bigotry

Americans may agree that racial prejudice is common, but less than half the whites who were questioned feel that blacks are singled out for discrimination. Only 35% of whites (vs. 51% of blacks) agree that "Most white Americans do not like blacks." Yet 44% of whites (and 45% of blacks) agree that "Most black Americans do not like whites."

Whites are more likely to be afraid of blacks. Although only 26% of the whites say they have ever felt "physically threatened by someone who was black," 64% of the white respondents agree that they would be afraid to be in an all-black neighborhood at night (27% would also feel afraid during the day). Despite news stories about the racial attacks on blacks in Howard Beach, Queens, N.Y., only 30% of the black respondents say they would be afraid in an all-white neighborhood at night; even fewer black respondents (24%) say they have ever felt physically threatened by a white.

Do black Americans have the same opportunities as whites?

	Blacks	Whites
Same opportunity	22%	48%
Not the case	75%	47%
In Education		
Same opportunity	38%	73%
Not the case	59%	24%
In Employment		
Same opportunity	26%	59%
Not the case	71%	37%

What Is to Be Done?

Blacks and whites alike agree that the "Federal Government should do more to promote equality in housing, education and employment." More than 90% of blacks feel this way, but the figure for whites is just slightly more than 50%. Attitudes vary about specific steps to remedy discrimination:

	Blacks	Whites
Should the Government prosecute landlords who refuse to rent to blacks?	88%	69%
Should colleges admit some black students whose record would not normally qualify them for admission?	33%	15%
Should businesses set a goal of hiring a minimum number of black employees?	62%	32%

*The survey of 871 white adults and 93 black adults was conducted by telephone Jan. 15-21. The potential sampling error for the white respondents is plus or minus 3%. For the smaller number of black respondents, the sampling error is larger.

Double-Dealing over Iran

CIA squabbling may have led to the arms-for-hostages scandal

A petty turf battle within the CIA turned a potential opening to Iran into a misbegotten arms-for-hostages deal that fell apart because of the squabbling and led to disclosure of the Iran-contra scandal. That is the contention of one of the factions that are still feuding hotly over the foreign policy disaster. As reports circulated about the imminent retirement of CIA Director William Casey, who is suffering from brain cancer, the agency itself is agonizing over its handling of the Iran initiative.

In this version of how the Iran affair unfolded, the CIA turf argument evolved into a dispute over whether to trust Manucher Ghorbanifar, the expatriate Iranian merchant and middleman who had offered to help the U.S. establish contacts in Iran. CIA activists in the agency's counterterrorism program supported the use of Ghorbanifar but eventually were outmaneuvered by the agency's Middle East operations officers, who waged a campaign to discredit the Iranian. Once Ghorbanifar was cut out of the delicate negotiations and the operatives at the Iran desk had prevailed in their efforts to have the U.S. bargain directly with Iranian officials, the whole enterprise went sour. Infuriated, Ghorbanifar then urged an Iranian faction to leak the story of the whole sorry affair.

Ghorbanifar's value went far beyond negotiating a hostage swap. So say several CIA sources and, not surprisingly, Ghorbanifar as well. Insists one operative: "For years we had tried to recruit, to

no avail, a simple Islamic revolutionary guard. Nobody in Iran wanted to touch the U.S., especially the CIA. Then this guy [Ghorbanifar] comes in and delivers for discussions practically anyone we ask for."

U.S. dealings with Iran have been portrayed as an overture to moderates led by Speaker of the Parliament Hojatoles-



Subjects of controversy: Ghorbanifar and CIA's Casey
Could the Iranian middleman be trusted?

lam Ali Akbar Hashemi Rafsanjani. Actually, CIA sources say, Ghorbanifar had persuaded the entire political leadership of the Islamic republic, including Prime Minister Mir Hussein Mousavi and Ayatollah Hussein Ali Montazeri, designated successor to Ayatollah Ruhollah Khomeini, to assent to secret contacts with the U.S. Two reasons: the Iranians feared

the Soviet threat more than any from the West; and they hoped that American arms would soon follow improved relations with the U.S.

This story is supported by Mansur Rafizadeh, a former high official in SAVAK, the Shah's secret police. Long a double agent serving both SAVAK and the CIA, Rafizadeh worked solely for the CIA after the Shah fell from power in 1979. According to Rafizadeh, Ghorbanifar first came to the CIA's attention in late 1980 when the Carter Administration was desperate to win the release of U.S. hostages from the seized American embassy in Tehran. George Cave, a retired CIA agent then working under a contract with the agency, asked Rafizadeh if Ghorbanifar could help. The former SAVAK agent advised Cave that Ghorbanifar was "one of the cleverest businessmen I have known. He has the habit of coming in as a partner and then taking over the whole operation." Rafizadeh told Cave that Ghorbanifar would never agree to work as a subservient CIA agent. "Then forget it," Cave replied. In a 1981 memo to CIA headquarters, Cave described Ghorbanifar as "unreliable." Contended Rafizadeh: "Anyone who refuses to take orders from the CIA is considered unreliable."

Cave's negative view of Ghorbanifar failed to prevent the Iranian from becoming the linchpin of the covert operation. By November 1985 the Israelis, who had checked out Ghorbanifar at the request of Adnan Khashoggi, a Saudi Arabian businessman who deems himself a peacemaker, had convinced the NSC staff that Ghorbanifar was too well connected in Iran to be ignored. The NSC undertook the Iran initiative,

Breaking Up Is Hard to Do

By Saturday, Dec. 6, the national uproar over the Iran-contra affair was at a peak. In his weekly radio address that afternoon, Ronald Reagan made yet another attempt to quell the roiling scandal, assuring listeners that "it was not my intent to do business with Khomeini, to trade weapons for hostages." The secret efforts to forge ties with "moderates" in Iran had been "broken off," the President stated.

But a week later CIA and State Department representatives met with Iranian contacts in Geneva. The Iranians presented the Americans with a nine-point agenda that they claimed had already been approved by the National Security Council. The plan called for the sale of more TOW antitank weapons and Hawk missile parts to Iran and the release of 17 Muslim terrorists imprisoned in Kuwait in exchange for freedom for the American hostages in Lebanon.

The startling disclosure that channels to Iran remained open after the President had declared them shut came during testimony by Secretary of State George Shultz at a closed hearing of the House Foreign Affairs Committee last week. Shultz said he ordered his emissaries home when he learned of the Iranians' continued demands for arms. In defiance of Shultz's orders, former CIA Agent George Cave stayed behind to hold further discussions with the Iranians.

Shultz testified that he was outraged to discover that former NSC Adviser John Poindexter had pressured Kuwait to free the convicted Muslims. Shortly after learning of Poindexter's move, Shultz cabled Kuwait's Foreign Minister and reiterated U.S. policy against negotiating with terrorists. The Secretary had more difficulty communicating with the President on the matter. White House aides would not grant him an Oval Office appointment and demanded to know what he wanted to discuss with Reagan. Shultz reached Reagan only by telephoning the President's private quarters over the weekend.



Shultz on the Hill

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with the now obviously disastrous results.

To the CIA fell the task of logistical support, including transport, banking and hiring specialized agents. CIA Director Casey entrusted the task to the counterterrorism section, which in January 1986 he put under the direction of his longtime favorite, Duane ("Dewey") Clarridge. Charles Allen, the agency's chief analyst for counterterrorism, was made Clarridge's deputy.

These moves were resented by the Iran desk, including Larry Larkin, one of its senior officers. Aware of the friction and needing the expertise of the desk's operatives, Casey offered them part of the action: they were asked to assess Ghorbanifar. Larkin first attempted to recruit Ghorbanifar as a CIA contract agent, which would put the Iranian under his control. When Ghorbanifar refused, Larkin and his colleagues set out to discredit him. This deepened Ghorbanifar's longstanding distrust of the CIA.

The CIA sources contend that it was mainly the operatives at the Iran desk who transformed the idea of an arms-hostage exchange, originally conceived as a test of mutual goodwill, into a principal objective of the dialogue with Tehran. This mistake eventually left the initiative mired in Iranscam. Says a recently retired senior CIA official: "Covert operatives despise grand strategy. They prefer tangible results that make them look good." The arms swap was sharply opposed by both Clarridge and Allen.

When former National Security Adviser Robert McFarlane, North and the CIA's Cave flew into Tehran with a plane-load of U.S. arms last May, Cave still distrusted Ghorbanifar and managed to underscore doubts about him in McFarlane's mind as well. While in Tehran, Cave bypassed Ghorbanifar to cultivate a direct contact with Speaker Rafsanjani. He was sufficiently successful that McFarlane, too, felt he no longer needed Ghorbanifar.

"The President has instructed me to return home with all the hostages," McFarlane told Ghorbanifar. The mid-deman insisted there had been a deal to deliver only two of the four Americans. "We reached an agreement and shook hands yesterday," Ghorbanifar protested. Replied McFarlane: "There is no agreement. Unless you produce the four hostages for me today, I am returning to the United States."

The American group returned home empty handed. The U.S. later delivered TOW antitank missiles directly to Iran, instead of through Ghorbanifar and Khamshagi as had been done before, and reduced the price from \$12,000 to \$8,000 each. An angry Rafsanjani called Mousavi to declare, "Your friend Ghorbanifar is a thief." Ghorbanifar, feeling betrayed and threatened by a CIA frame-up, then freed his Iranian associates to leak the news that created the scandal. —By Ed Magnuson.

Reported by Raji Sanghabadi/New York

Flocking Together on Trade

Congress and Reagan move toward a bill on "competitiveness"

Congress has been compared to an aviary whose inhabitants tend to band together in tiny groups that flap around in circles. But every now and then all the birds wing in tight formation to the same destination. It happened last year on tax reform and drug legislation. As the 100th Congress gets to work, the flock is forming early. This time its goal is to pass a trade bill, one that, for a change, will not be shot down by President Reagan's veto.

The prospects are excellent because the U.S. trade deficit is so dreadful. From less than \$40 billion in 1981, the excess of

Trader Reagan to block previous bills.

The White House seems to be in an if-you-can't-lick-em-join-em mood. Late last week Ronald Reagan's speechwriters were still circulating competing drafts of the State of the Union address the President is to deliver Tuesday night. One point not in much dispute is that the President will stress the need to restore U.S. "competitiveness." He plans to propose some form of retraining for workers, a loosening of antitrust laws to enable American companies to band together against foreign competition, and in-



Speaker Wright and Senate Majority Leader Byrd talk strategy at a Capitol Hill breakfast

For the President, the State of the Union speech is a golden—and perhaps last—chance.

U.S. imports over exports increased to more than \$170 billion last year. Factories are closing, and the growth of the U.S. economy is being stunted. "The record of this Congress will be measured by how it deals with this issue," says Senate Majority Leader Robert Byrd.

Some 80 lawmakers and trade experts gathered before TV cameras last week at a special conference called by House Speaker Jim Wright. Top Republicans stayed away, fearful that the conference would turn into a round of Reagan bashing. Actually, though, most speakers sounded less partisan than perplexed. They stressed the tangled roots of the trade deficit, including the movements of currency markets, Third World debt, varying wage policies in other trading nations, even American business strategies and attitudes toward work: all matters beyond the ready reach of U.S. law.

Nonetheless, Wright pledges to call up a trade bill for House floor debate in May, and the Senate is working on a similar schedule. In the interest of getting something on the books, the Democrats, who control both chambers, are backing away from the protectionist provisions that caused Free-

creased federal assistance to American research and development. Ohio Congressman Bill Gradison, a key Republican on the House Budget Committee, says the President's aides "have judged that there will be a trade bill and signaled their willingness to cooperate."

These aides regard Tuesday's State of the Union speech as Reagan's golden—and perhaps last—chance to reassert his leadership. The address has assumed near epic public relations proportions because Reagan has pretty much been under wraps since Iranscam erupted in late November. Following his prostate operation in early January, says one White House official, Nancy Reagan "was yelling—and I mean yelling—insisting that her husband be given the same four-to-six-week recovery time that any other man would get." So virtually every appearance for six weeks has been canceled except the State of the Union. As a result, his aides are hyping that single half-hour speech, written by others and read off a TelePrompTer, as an event of such magnitude that it will reassert Reagan's vigorous leadership all by itself.

—By George J. Church.

Reported by Michael Duffy/Washington

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When you've been there and back

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"RIVER OF NO RETURN"
UPDATE TO EDITOR:

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(If crocodiles don't eat it!)

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The Secretary last week: a covert operation for the mind of the Dreamer in Chief

A Shield Against Arms Control

Weinberger calls for an early deployment of SDI

For nearly four years, the Reagan Administration has been riven by one of the most bizarre episodes in the annals of covert operations. It has nothing to do with Iran or Nicaragua. The clandestine activity has taken place almost entirely inside the U.S. Government. The main combatants have been senior advisers to Ronald Reagan. At the heart of the struggle is one of his most cherished ideas, the Strategic Defense Initiative. But the President himself seems largely oblivious to what is going on.

In 1983 Reagan stunned the world with his dream of a missile shield that would someday render all offensive nuclear weapons, in his phrase, "impotent and obsolete." In the meantime, however, the program posed a challenge to the more mundane enterprise of arms control, which has been the object of a bitter, largely hidden conflict within the Administration. One faction, led by Secretary of State George Shultz, wants to keep arms control alive and use SDI for the leverage it gives the U.S. in negotiations with the Soviet Union. The other faction, led by Secretary of Defense Caspar Weinberger, has been trying to use SDI to drive a stake through the heart of arms control.

Weinberger's motive became more apparent last week, when he delivered a speech in Colorado Springs calling for deployment in the next few years of a rudimentary version of SDI. Weinberger seemed to have in mind a system that would rely not on Star Wars laser beams fired from battle stations in space but largely on ground-based antiballistic-missile interceptors and other "off-the-shelf" technology. The purpose would be not to render American missiles obsolete but, quite the contrary, to assure their ability to withstand an attack.

Since 1967 the U.S. has based its at-

tempt to regulate the nuclear rivalry with the Soviet Union on the premise that large-scale strategic defenses are "destabilizing." One side's defenses tend to provoke offensive countermeasures by the other side, thus exacerbating the arms race. For just that reason, the two countries in 1972 signed an open-ended treaty severely limiting their ABMs.

In addition to being by far the most important surviving vestige of arms control, the ABM treaty is the most likely basis for a future agreement. Shultz's role in the covert struggle within the Administration has been to nudge the President toward a so-called grand compromise with Mikhail Gorbachev. Its essence: the U.S. would agree to confine SDI to research and development and forgo deployment for a significant period of time; in exchange, the Soviets would reduce their most threatening offensive weapons. Key to Shultz's argument has been the contention that a deployable SDI will not be ready until the 21st century.

On visits to the Oval Office, Shultz has been quietly arguing that the best way to assure that SDI will survive under future Presidents is to "establish it in an arms-control context" by making continued R. and D. part of a deal with the Soviets. But a prohibition against rapid deployment would have to be part of the same deal.

Meanwhile, the anti-arms-control faction has been doing everything it can to accentuate the incompatibility between SDI and the ABM treaty and to deploy something, anything, sooner rather than later. Hence Weinberger's address last week. When Shultz heard about the speech, he was, according to an aide, "livid—but silently so." He wants to keep his side of the struggle as covert as possible, the better to influence the Dreamer in Chief.

—By Strobe Talbott

Jess and Les

And the stress on seniority

So sacrosanct is the congressional seniority system that the late Carl Hayden, an Arizona Democrat, ruled the powerful Senate Appropriations Committee into his 90s. The current chairman, Mississippi's John Stennis, is 85. The oldest House member, Claude Pepper of Florida, 86, chairs the Rules Committee. "There's something wrong with a system that keeps you from the top job until you're in your 70s," muses Florida Democrat Charles Bennett, 76. "But nobody can come up with anything better."

In choosing North Carolina's fire-breathing conservative Jesse Helms as ranking Republican on the Foreign Relations Committee last week, G.O.P. Senators seemed to agree. At 65, Helms is hardly in his dotage. But were it not for his seniority, his colleagues almost certainly would have chosen Indiana's Richard Lugar, 54, a moderate in foreign affairs. Lugar ably chaired the committee when Republicans controlled the Senate (Helms then headed the Agriculture Committee). But this session Helms sought to reclaim the ranking spot on Foreign Relations, from which he could wage a crusade against any signs of State Department moderation.

Republican committee members voted 7 to 0 for Lugar, who assumed the full caucus would simply "affirm" that decision. But Helms remained uncharacteristically serene. "We don't want to do away with the seniority system, do we?" he slyly asked colleagues. The not-so-sobole message got through, particularly to such out-of-step Republicans as Connecticut's Lowell Weicker, a liberal whose only chance to become a chairman lies with seniority. By a 24-to-17 vote, Republicans opted for Helms—and the system.

Senators needed only to look across the Capitol for an example of the chaos that can erupt when seniority is ignored. In a rare coup, Wisconsin Democrat Les Aspin two years ago seized the chair of the House Armed Services Committee from Illinois' Melvin Price, then 80. Without the seniority shield, Aspin was himself toppled this year by his party's caucus. He had alienated liberals by supporting the MX missile and the *contras*, and offended many by his general tactlessness (he likened former Speaker Tip O'Neill to a "beached whale"). After two weeks of frenzied campaigning and a period of "contrition," Aspin fended off three challengers to regain his post. Said he: "There are a lot of things I need to do differently in dealing with people."

If Aspin, 48, were 84, that might not be necessary.



Helms



Slow Descent into Hell

In winter it becomes harder not to see them, tougher to avert our gaze as we pass them by. The brutal storms of January tear through the cloak of statistics, and once again an abstract problem—discussed in terms of percentage increases and changing demographics—becomes a shivering man or woman struggling for survival, a pair of eyes that painfully remind us of our human bond. In cities across the nation shelters overflow, leaving the spillage to cope on steam grates or in subway tunnels or wherever else warmth can be found. These street people are the most destitute of the nation's 350,000 or more homeless citizens. To explore their plight, TIME Correspondent Jon D. Hull took up residence on the streets of Philadelphia. Some of the people he met, like a former construction worker named George, are still struggling to find a way up. Others, like a former machinist named Gary, seem hopelessly caught in the undertow. Many once led normal lives, with jobs and families and homes.

A smooth bar of soap, wrapped neatly in a white handkerchief and tucked safely in the breast pocket of a faded leather jacket, is all that keeps George from losing himself to the streets. When he wakes each morning from his makeshift bed of newspapers in the subway tunnels of Philadelphia, he heads for the rest room of a nearby bus station or McDonald's and begins an elaborate ritual of washing off the dirt and smells of homelessness: first the hands and forearms, then the face and neck and finally the fingernails and teeth. Twice a week he takes off his worn Converse high tops and socks and washes his feet in the sink, ignoring the cold stares of well-dressed commuters.

George, 28, is a stocky, round-faced former high school basketball star who once made a living as a construction worker. But after he lost his job just over a year ago, his wife kicked him out of the house. For a few weeks he lived on the couches of friends, but the friendships soon wore thin. Since then he has been on the street, starting from scratch and looking for a job. "I got to get my life back," George says after rinsing his face for the fourth time. He begins brushing his teeth with his forefinger. "If I don't stay clean," he mutters, "the world ain't even going to look me in the face. I just couldn't take that."

George lives in a world where time is meaningless and it's possible to go months without being touched by anyone but a thug. Lack of sleep, food or conversation breeds confusion and

depression. He feels himself slipping but struggles to remember what he once had and to figure out how to get it back. He rarely drinks alcohol and keeps his light brown corduroy pants and red-checked shirt meticulously clean. Underneath, he wears two other shirts to fight off the cold, and he sleeps with his large hands buried deep within his coat pockets amid old sandwiches and doughnuts from the soup kitchens and garbage cans.

Last fall he held a job for six weeks at a pizza joint, making \$3.65 an hour kneading dough and clearing tables. Before work, he would take off two of his three shirts and hide them in an alley. It pleases him that no one knew he was homeless. Says George: "Sure I could have spent that money on some good drink or food, but you gotta suffer to save. You gotta have money to get out of here and I gotta get out of here." Some days he was scolded for eating too much of the food. He often worked without sleep, and with no alarm clock to wake him from the subways or abandoned tenements, he missed several days and was finally fired. He observes, "Can't get no job without a home, and you can't get a home without a job. They take one and you lose both."

George had \$64 tucked in his pocket on the evening he was beaten senseless in an alley near the Continental Trailways station. "Those damn chumps," he says, gritting his teeth, "took every goddamn penny. I'm gonna kill 'em." Violence is a constant threat to the homeless. It's only a matter of time before newcomers are beaten, robbed or raped. The young prey on the old, the



big on the small, and groups attack lonely individuals in the back alleys and subway tunnels. After it's over, there is no one to tell about the pain, nothing to do but walk away.

Behind a Dumpster sits a man who calls himself Red enjoying the last drops of a bottle of wine called Wild Irish Rose. It's 1 a.m., and the thermometer hovers around 20°, with a biting wind. His nickname comes from a golden retriever his family once had back in Memphis, and a sparkle comes to his eyes as he recalls examples of the dog's loyalty. One day he plans to get another dog, and says, "I'm getting to the point where I can't talk to people. They're always telling me to do something or get out of their way. But a dog is different."

At 35, he looks 50, and his gaunt face carries discolored scars from the falls and fights of three years on the streets. An upper incisor is missing, and his lower teeth jut outward against his lower lip, giving the impression that he can't close his mouth. His baggy pants are about five inches too long and when he walks, their frayed ends drag on the ground. "You know something?" he asks, holding up the bottle. "I wasn't stuck to this stuff until the cold got to me. Now I'll freeze without it. I could go to Florida or somewhere, but I know this town and I know who the creeps are. Besides, it's not too bad in the summer."

Finishing the bottle, and not yet drunk enough to sleep out in the cold, he gathers his blanket around his neck and heads for the subways beneath city hall, where hundreds of the homeless seek warmth. Once inside, the game of cat-and-mouse begins with the police, who patrol the maze of tunnels and stairways and insist that everybody remain off the floor and keep moving. Sitting can be an invitation to trouble, and the choice between sleep and warmth becomes agonizing as the night wears on.

For the first hour, Red shuffles through the tunnels, stopping occasionally to urinate against the graffiti-covered walls. Then he picks a spot and stands for half an hour, peering out from the large hood of his coat. In the distance, the barking of German shepherds echoes through the tunnels as a canine unit patrols the darker recesses of the underground. Nearby, a young man in a ragged trench coat stands against the wall, slapping his palms against his sides and muttering, "I've got to get some paperwork done. I've just got to get some paperwork done!" Red shakes his head. "Home sweet home," he says. Finally exhausted, he curls up on the littered floor, lying on his side with his hands in his pockets and his hood pulled all the way over his face to keep the rats away. He is asleep instantly.

Whack! A police baton slaps his legs and a voice booms, "Get the hell up, you're outta here. Right now!" Another police officer whacks his nightstick against a metal grating as the twelve men

sprawled along the tunnel crawl to their feet. Red pulls himself up and walks slowly up the stairs to the street, never looking back.

Pausing at every pay phone to check the coin-return slots, he makes his way to a long steam grate whose warmth bears the acrid smell of a dry cleaner's shop. He searches for newspaper and cardboard to block the moisture but retain the heat. With his makeshift bed made, he curls up again, but the rest is short-lived. "This s.o.b. use to give off more heat," he says, staring with disgust at the grate. He gathers the newspapers and moves down the block, all the while muttering about the differences among grates. "Some are good, some are bad. I remember I was getting a beautiful sleep on this one baby and then all this happening starts. I was laying right in a damn driveway and nearly got run over by a garbage truck."

Stopping at a small circular vent shooting jets of steam, Red shakes his head and curses: "This one is too wet, and it'll go off sometimes, leaving you to freeze." Shaking now with the cold, he walks four more blocks and finds another grate, where he curls up and fishes a half-spent cigarette from his pocket. The grate is warm, but soon the moisture from the steam has soaked his newspapers and begins to gather on his clothes. Too tired to find another grate, he sets down more newspapers, throws his blanket over his head and sprawls across the grate. By morning he is soaked.

At the St. John's Hospice for Men, close to the red neon marquees of the porno shops near city hall, a crowd begins to gather at 4 p.m. Men and women dressed in ill-fitting clothes stamp their feet to ward off the cold and keep their arms pressed against their sides. Some are drunk; others simply talk aloud to nobody in words that none can understand. Most are loners who stand in silence with the sullen expression of the tired and hungry.

A hospice worker lets in a stream of women and old men. The young men must wait until 5 p.m., and the crowd of more than 200 are asked to form four rows behind a yellow line and watch their language. It seems an impossible task. A trembling man who goes by the name Carper cries, "What goddamn row am I in!" as he pulls his red wool hat down until it covers his eyebrows. Carper has spent five to six years on the streets, and thinks he may be 33. The smell of putrid wine and decaying teeth poisons his breath; the fluid running from his swollen eyes streaks his dirty cheeks before disappearing into his beard. "Am I in a goddamn row? Who the hell's running the rows?" he swears. An older man with a thick gray beard informs Carper he is in Row 3 and assures him it is the best of them all. Carper's face softens into a smile; he stuffs his hands under his armpits and begins rocking his shoulders with delight.

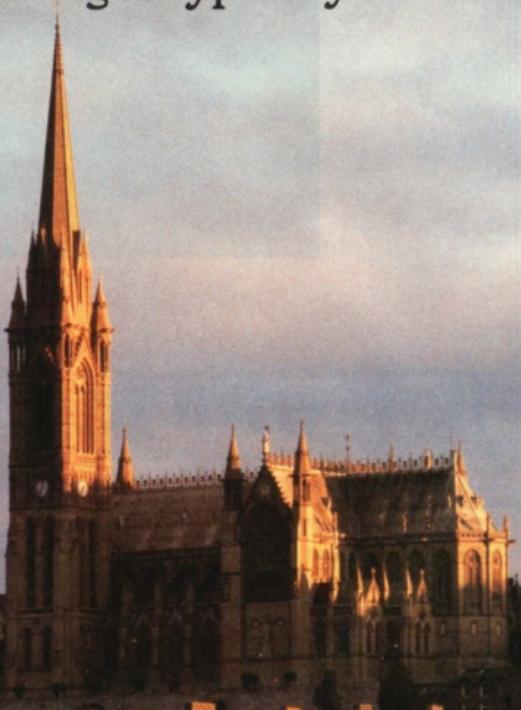
Beds at the shelters are scarce, and fill up first with the old, the very young, and women. Young men have little hope of getting a

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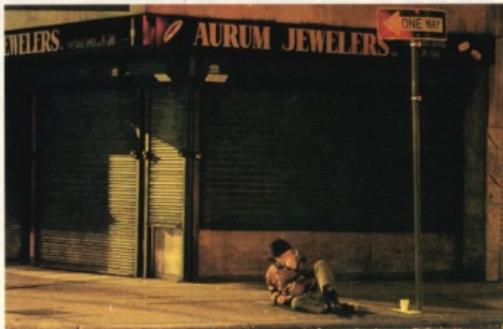
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bed, and some have even come to scorn the shelters. Says Michael Brown, 24: "It stinks to high heaven in those places. They're just packed with people and when the lights go out, it's everybody for themselves." Michael, a short, self-described con man, has been living on the streets three years, ever since holding up a convenience store in Little Rock. He fled, fearing capture, but now misses the two young children he left behind. He says he is tired of the streets and plans to turn himself in to serve his time.

Michael refuses to eat at the soup kitchens, preferring to panhandle for a meal: "I don't like to be around those people. It makes you feel like some sort of crazy. Before you know it, you're one of them." He keeps a tear in the left seam of his pants, just below the pocket; when he panhandles among commuters, he tells them that his subway fare fell out of his pants. When that fails, he wanders past fast-food outlets, waiting for a large group eating near the door to get up and leave. Then he snatches the remaining food off the table and heads down the street, smiling all the more if the food is still warm. At night he sleeps in the subway stations, catnapping between police rounds amid the thunder of the trains. "Some of these guys sleep right on the damn floor," he says. "Not me. I always use two newspapers and lay them out neatly. Then I pray the rats don't get me."

It was the last swig of the bottle, and the cheap red wine contained flotsam from the mouths of three men gathered in a vacant lot in northeast Philadelphia. Moments before, a homeless and dying man named Gary had vomited. The stench and nausea were dulled only by exhaustion and the cold. Gary, wheezing noisily, his lips dripping with puke, was the last to drink from the half-gallon jug of Thunderbird before passing it on, but no one seemed to care. There was no way to avoid the honor of downing the last few drops. It was an offer to share extended by those with nothing, and there was no time to think about the sores on the lips of the previous drinkers or the strange things floating in the bottle or the fact that it was daybreak and time for breakfast. It was better to drink and stay warm and forget about everything.

Though he is now dying on the streets, Gary used to be a respectable citizen. His full name is Gary Shaw, 48, and he is a lifelong resident of Philadelphia and a father of three. He once worked as a precision machinist, making metal dies for casting tools. "I could work with my eyes closed," he says. "I was the best there was." But he lost his job and wife to alcohol. Now his home is an old red couch with the springs exposed in a garbage-strewn clearing amid abandoned tenements. Nearby, wood pulled from buildings burns in a 55-gallon metal drum while the Thunderbird is passed around. When evening falls, Gary has trouble standing, and he believes his liver and kidneys are on the verge

of failing. His thighs carry deep burn marks from sleeping on grates, and a severe beating the previous night has left bruises on his lower back and a long scab across his nose. The pain is apparent in his eyes, still brilliant blue, and the handsome features of his face are hidden beneath a layer of grime.

By 3 a.m., Gary's back pains are unbearable, and he begins rocking back and forth while the others try to keep him warm. "Ah, please God help me. I'm f---ing dying, man. I'm dying." Two friends try to wave down a patrol car. After 45 minutes, a suspicious cop rolls up to the curb and listens impatiently to their plea: "It's not drugs, man, I promise. The guy was beat up bad and he's dying. Come on, man, you've got to take us to the hospital." The cop nods and points his thumb toward the car. As Gary screams, his two friends carefully lift him into the back seat for the ride to St. Mary Hospital.

In the emergency room, half an hour passes before a nurse appears with a clipboard. Address: unknown. No insurance. After an X ray, Gary is told that a bone in his back may be chipped. He is advised to go home, put some ice on it and get some rest. "I don't have a goddam home!" he cries, his face twisted in pain. "Don't you know what I am? I'm a goddam bum, that's what, and I'm dying!" After an awkward moment, he is told to come back tomorrow and see the radiologist. The hospital pays his cab fare back to the couch.

Gary returns in time to share another bottle of Thunderbird, and the warm rush brings his spirits up. "What the hell are we doing in the city?" asks Ray Kelly, 37, who was once a merchant seaman. "I know a place in Vermont where the fishing's great and you can build a whole damn house in the woods. There's nobody to bother you and plenty of food." Gary interrupts to recall fishing as a boy, and the memories prior to his six years on the street come back with crystal clarity. "You got it, man, we're all getting out of here tomorrow," he says with a grin. In the spirit of celebration, King, a 34-year-old from Puerto Rico, removes a tube of glue from his pocket with the care of a sommelier, sniffs it and passes it around.

When the sun rises, Ray and King are fast asleep under a blanket on the couch. Gary is sitting at the other end, staring straight ahead and breathing heavily in the cold air. Curling his numb and swollen fingers around the arm of the couch, he tries to pull himself up but fails. When another try fails, he sits motionless and closes his eyes. Then the pain hits his back again and he starts to cry. He won't be getting out of here today, and probably not tomorrow either.

Meanwhile, somewhere across town in the washroom of a McDonald's, George braces for another day of job hunting, washing the streets from his face so that nobody knows where he lives. ■

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Hofmann, right, scrutinizes attorney's notes at preliminary hearing in Salt Lake City

A Latter-Day Forger

The author of faked Mormon papers pleads guilty to murder

The weapons were brutal: pipe bombs set inside harmless-looking packages that exploded when moved. The first victim, Steven Christensen, 31, a Salt Lake City businessman and Mormon bishop, was killed outside his office on Oct. 15, 1985. A few hours later in a nearby suburb, a second bomb took the life of Kathleen Sheets, 50, the wife of J. Gary Sheets, a former partner of Christensen.

The next day a third pipe bomb exploded in downtown Salt Lake City. This time, however, the victim survived—and eventually became the prime suspect in the two murders. Authorities believed Mark Hofmann, a dealer in rare documents, many on early Mormon history, had been injured while setting a bomb in his own car, possibly to direct suspicion away from himself. Last week the 15-month investigation against Hofmann came to a close when he pleaded guilty to reduced charges of second-degree murder in the bombings and to two counts of theft by deception for selling forged or nonexistent documents. The plea bargain allowed Hofmann, 32, to avoid the death penalty, but he was given a sentence of five years to life in prison, and Judge Kenneth A. Rigtrop recommended that Hofmann remain incarcerated "for the rest of your natural life."

The severity of the sentence was in part a measure of the social harm Hofmann had caused. Salt Lake City had been thrown into a panic by the seemingly random nature of the bombings, and the Mormon Church had been rocked to its foundations by Hofmann's faked documents. Hofmann's most notorious forgery had been the so-called White Salamander letter, which he sold to Christensen and Gary Sheets in 1984 for \$40,000. It alleged that Church Founder Joseph Smith had

been led to the Mormon scriptures not by an angel, as Smith had maintained, but by a white salamander, a familiar icon of superstitious folk magic and divining. The letter was purportedly written in 1830 by Martin Harris, an early convert to Mormonism and an associate of Smith's. The document, which fooled two experts on forgeries, was widely published despite church efforts to keep it secret, and caused consternation among the church faithful.

Altogether, Hofmann sold 48 documents, some of them bogus, to the Church of the Latter-Day Saints. At the time of the murders, Hofmann and Christensen were negotiating for Hofmann's greatest "find": a collection of documents once purportedly owned by Dr. William McLellin, an early church apostle who later turned apostate. McLellin's papers supposedly contained embarrassing stories about Smith.

Hofmann bargained with church members to obtain the McLellin collection for the church for \$185,000, and he had already received \$150,000 for the documents from another investor. But he could not deliver: the "discovery" was the product of Hofmann's fertile and lucrative imagination. Christensen may have begun to suspect this; two hours before he was to inspect the documents, he was killed. Gary Sheets, according to prosecutors, was targeted for murder as a diversion.

As part of his plea bargain, Hofmann is to provide a full explanation of his scams. Perhaps the confession will untangle the web of confusion that has plagued the Mormons since Hofmann first began peddling his forgeries. The church is not likely to recover quickly from this painful and discomfiting episode.

—By Amy Wilentz

Reported by Mike Carter/Salt Lake City

Cold Turkey

A ban on smoking—at home

If policymakers at Chicago's USG have their way, nary a puff of cigarette smoke will fill the air at any of its acoustical-products-division plants—or, for that matter, in the cars or boats or homes of some 1,500 of its employees in eight states. In one of the boldest prohibitions ever attempted by a U.S. employer, USG has told the workers they will not be allowed to smoke on the job, or anywhere else. The company plans to use mandatory medical exams to check up on compliance and enforce the ban.

USG justifies its action on the ground that it constitutes a safety program. At the targeted plants, which produce acoustical ceiling tiles and insulation products, workers are exposed to potentially hazardous dust from mineral fibers. Research suggests the risk of contracting lung diseases because of this dust is greater for smokers than nonsmokers. USG is not planning to ban smoking at its headquarters or other facilities where workers do not face the dust hazard.

Effective immediately, USG will not hire smokers at the acoustical-products plants. This week the company will begin giving periodic physicals and pulmonary-function exams, and a Smokers' program will be started for the third of its workers who smoke. Should smokers' health profiles fail to improve—an indication that they are sneaking cigarettes at home—they may be fired.

It is one thing to ban smoking on the job; that is already done by such organizations as the *Christian Science Monitor* and Greyhound. But labor lawyers are convinced that USG is treading on wispy legal ground in trying to extend its prohibition past working hours. USG's plan, they say, will run into problems of discrimination against minorities or against the physically disabled. Editorialized the *Chicago Sun Times*: "The issue here isn't whether smoking is good or bad. The issue is this: How far can an employer reach into the employees' personal lives? Not this far."

USG's smokers entirely agree. Complained Walt Marotz of Holyoke, Minn., a worker in Cloquet, Minn.: "They're starting to pry into our personal business now. I'll stop smoking at work, but what I do at home, there's no way they can stop me."

Critics concede that there could be a medical justification for unusually tough antismoking regulations for employees at plants that have dust from mineral fibers, but argue that USG is mainly interested in fending off workers' future liability suits. USG's strategy could spread to other lung-threatening industries—chemicals and rubber, for example—in which companies are beginning to realize that they need to do everything they can to warn their workers of health risks if they are to avoid choking legal problems. ■

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7/12/86	Essex Booksellers St. Louis, MO Inv. #34298	39.95	
12/22/86	Condor's New Milford, CT Inv. #21376	112.37	
12/22/86	Dave's Animal House Easton, CT Inv. #31327	250.00	
3/27/86	Hotel Ste. Germaine Paris, France Inv. #69850	678.57	
6/2/86	Plaza Victoria Seattle, WA Inv. #37899	322.56	
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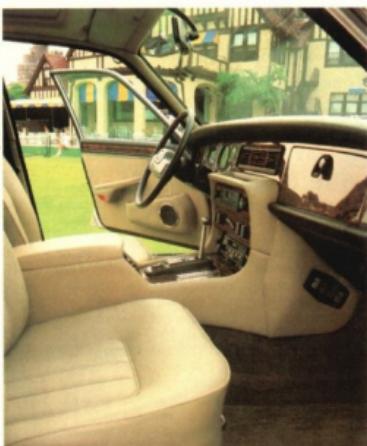
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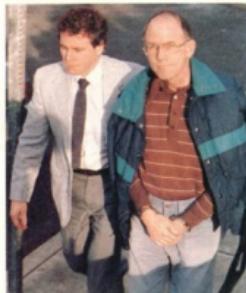
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NEW MEXICO

Taking It Off Together

New Mexicans have nothing to lose but their pounds. In the nation's first statewide diet, 10,000 residents have joined a program to lose at least five pounds each by March 29. The project, Eat Right New Mexico, is sponsored by HealthNet, a nonprofit organization that has launched a ten-year effort to change local eating and exercise habits. After the first week of weigh-ins at schools, supermarkets and Indian reservations, the dieters have found that misery loves company. Notes Geraldine Bolton, 58, of Albuquerque: "The program gives me an incentive to lose weight. It's always easier when someone else is in the same boat you are."

CALIFORNIA

And Baby Makes Two

Sue Ann Yasger was cruising past other cars on a crowded Southern California freeway when a highway patrolman pulled her over. The special car-pool lane in which she was driving, the officer explained to her, was reserved for autos with more than one passenger. Yasger, 29, insisted she was not alone: she was five months pregnant. The patrol-

man handed her a \$52 ticket.

Last week a municipal judge in Santa Ana dismissed the ticket after Yasger, now eight months pregnant, reminded the court that California's child-support law considers a fetus to be a child. She cited the case of Pamela Rae Stewart, a San Diego mother accused of harming her unborn son by taking illegal drugs and ignoring her doctor's instructions. Judge Randell Wilkinson threw out the ticket rather than rule on the legal status of a fetus. Yasger, who has two other children, felt vindicated. "I was very serious about it," she said, "but I definitely can see the humor." Nonetheless the California Highway Patrol will continue to write similar tickets. Says Officer Paul Caldwell: "Our officers are not qualified to determine whether a lady is with child."

CONVENTION SITES

"Hostage" to \$50 Million

For financially depressed New Orleans, it was an embarrassment of riches. First the city was notified by the Republican National Committee that it had been selected as the site of the 1988 G.O.P. Convention, a three-day bonanza that should generate \$50 million in business. Then Democratic Chairman Paul Kirk said his committee (which had just sampled the Cajun cuisine and first-

class hotels) might also choose the City That Care Forgot as its party's convention site.

The catch was that New Orleans had already signed a contract giving the Republicans six weeks of unlimited access to the Superdome before the convention opens on Aug. 15. Since the Democrats are to begin their convention on July 17, the clause prevents New Orleans from being held to both parties. Kirk charged that the G.O.P. was holding New Orleans "hostage." But the Republicans held the city to its contract, and the Democrats are now leaning toward Houston.

AVIATION

A Rash of Collisions

After a remarkably safe year for aviation in 1986, the new year has begun with a wave of midair incidents. Three occurred last week, following a collision over Utah the week before. A total of 17 people have died.

Two of last week's collisions involved military planes. In clear skies 20 miles east of Kansas City, a civilian Piper Navajo flying under visual flight rules collided with an Army twin-engine transport, killing all five people involved. In the bright central Texas sky near Brownwood, two unarmed Air Force Phantom F-4 jets crashed while engaged in

what the military called a "defensive-maneuver training mission." The crash left debris that stretched for five miles. Two men died, and two parachuted to safety. Finally, over Westerly, R.I., a Piper Cherokee and a Piper Archer, both single-engine general-aviation aircraft, grazed each other, but both crews were able to land without injury.

OREGON

A Blast from The Past

Terrence Peter Jackson lived quietly in a small rented house in Eugene and worked as a physical therapist for a local hospital. But when the FBI came to his door last week, Jackson admitted to being Silas Trim Bissell, 44, one of the founders of the violent Weather Underground movement and a fugitive since 1970, when he skipped bail on charges of conspiring to bomb a Reserve Officer Training Center in Seattle.

Bissell, whose face was recognized from a post office wanted poster, was described by friends and co-workers as a gentle, mild-mannered man who painted in his spare time. "If he's guilty, he's going to have to pay the price," said Neighbor Dave Bartel. "But I hope they take into account that he's not blowing up buildings anymore. The guy's been living quietly and responsibly for a long time."

World

THE PHILIPPINES

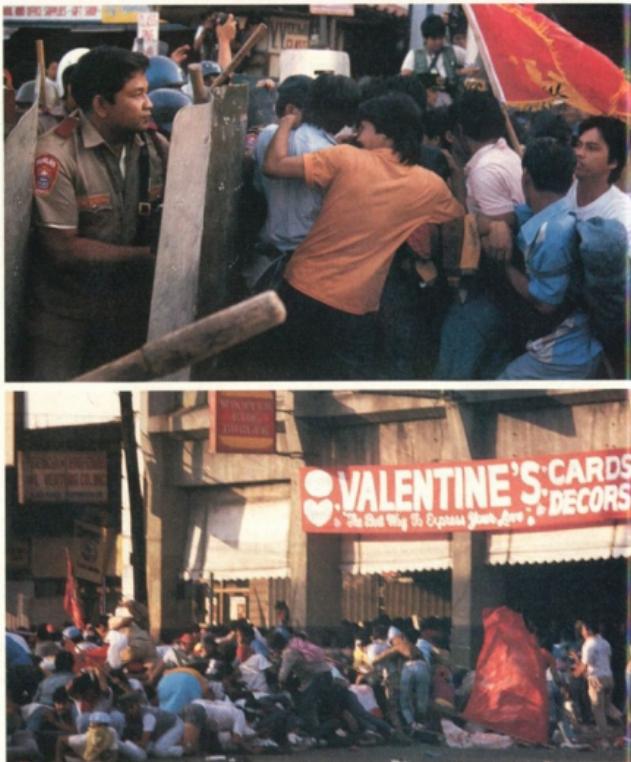
Death In Manila

*A shooting leaves
Aquino in trouble*

When thousands of demonstrators set out in Manila last week to march on Malacañang Palace, the office of President Corazon Aquino, the police took standard precautions. To contain the roisterous crowd, which chanted demands for immediate land reform, 500 riot policemen equipped with truncheons and metal shields lined up in eight-deep rows at the foot of the Mendiola Bridge, the main approach to the palace. Two water cannons and eight fire trucks pulled up as well, and a contingent of Philippine marines, on temporary security duty at Malacañang, deployed behind the police phalanx.

By late afternoon the 10,000 protesters, some armed with iron rods and wooden clubs with nails protruding, began advancing on the bridge. As Jaime Tadeo, a leftist peasant leader, shouted, "Charge Malacañang! Break down the barricades!" and his followers returned a chant of "Revolution! Revolution!" the protesters closed with the security forces. At first the policemen held their ground, but as the crowd pushed forward amid a hail of stones, the police lines began wavering. frantic police officers shouted, "You can't go through." Tadeo, struggling in the front lines, yelled back, "We're going to Malacañang, and you can't stop us."

Then the confrontation turned murderous. No one would say later who had given the order, or whether any was issued, but suddenly the marines put their M-16 rifles to their shoulders and began firing into the crowd. A few demonstrators drew guns of their own and fired back; thousands of others dashed for cover, some dragging dead and wounded



Fatal confrontation: marchers challenge police, top, then scatter as shots cut into the crowd

comrades behind them. For more than a minute the rattle of automatic-weapons fire echoed across the bridge. When the marines finally stopped firing, four jeeps raced after the protesters, the soldiers aboard loosing tear-gas canisters to disperse what remained of the crowd.

In the street at least twelve protesters lay dead and dozens wounded; the final count of injured would reach 94. Not only were the deaths the first to have occurred in a demonstration against the Aquino government, but the toll surpassed that of a similar tragedy in Manila in September 1983, when Ferdinand Marcos was still in power. At that time eleven people were killed at the very same spot during an antigovernment rally. Surveying the scene after last week's carnage, a policeman shook his head and muttered, "They fired too soon."

For Aquino, the incident triggered the worst crisis her eleven-month-old government has faced since a military coup attempt last November that fizzled before it got off the ground. Two hours after the

marines opened fire at the bridge, word reached Malacañang of a further setback: talks had broken off between the government and the National Democratic Front, the political wing of the Communists' New People's Army (N.P.A.) in the effort to end the Philippines' 18-year-old insurgency. Leftists as well as rights quickly seized on the setbacks to launch attacks on the President.

The killings could not have come at a worse time for Aquino, whose brief presidency has been a perilous struggle to unite the divided country under her popular leadership. The trouble broke less than two weeks before she is to face a major political test: a Feb. 2 plebiscite on a new constitution, drafted by her government. If the basic law, which would supplant the Marcos constitution of 1973, wins the voters' approval, it will not only confirm Aquino in the presidency for a full six-year term but will be widely viewed as an indicator of her popularity and legitimacy. Critics on the left complain the proposed constitution does not address the



The bodies of demonstrators lie in the street near Malacañang Palace, surrounded by shoes, clubs and other debris left in the chaos

problems of the poor, while rightists assert that Aquino is not empowered to void the old constitution.

In Washington, U.S. State Department Spokesman Charles Redman expressed regret for the deaths. In private, a State Department official said he felt the government was stable, though he expected more challenges as Feb. 2 drew near. "There is an obligation to hope that she will pull through," he said. "She is the only viable leader."

When Aquino was told of the shootings, she immediately conferred with General Fidel Ramos, the armed forces Chief of Staff. General Rafael Ileto, the Defense Minister, and other officials. Later that evening she went on television to address the country. Looking drawn, and reading from a prepared text, she expressed her "deep regrets" at "this bloody incident" and promised a full investigation. "In the period before the plebiscite," she said, "attempts to destabilize the government and defeat our democratic aims will intensify. I urge our people to maintain sobriety."

Her foes paid her no heed. In a rash of statements, left-wingers likened the President to Marcos, while rightists denounced her, as they frequently have in the past, as too weak and indecisive to run a government. Said a statement issued by Bayan, the largest leftist coalition: "Bayan points the finger of guilt at the Aquino government. By this act it has been shorn of all past claims of being democratic and anti-fascist." Juan Ponce Enrile, the ambitious former Defense Minister who was sacked by Aquino after the November coup attempt, also pounced on the President. "It is about time," he declared, "that we remove the masks worn by those of our national leadership and expose the true nature of their capacity to run the affairs of our republic."

In an effort to discover how the tragedy at the Mendiola Bridge could have happened, Aquino appointed Vicente Abad Santos, a retired Supreme Court Justice, to conduct an inquiry. She accepted the offer of General Ramon Montano, the constabulary chief of

Manila, to take a leave. Montano admitted that the soldiers "might have overreacted," but "as far as we are concerned, we exercised maximum tolerance. We had to stop them, or they would have been all over Malacañang." That did not explain why tear gas, water cannons and fire hoses had not been used against the crowd before the security forces began shooting.

The demonstrators also came under scrutiny. Government officials charged that from the start provocateurs in the crowd were intent on creating a violent confrontation. Several policemen were bludgeoned by protesters, and four had to be treated for bullet wounds. To back their contention further that the security forces had come under fire, the police showed reporters a riot shield punctured by a bullet hole.

If explanations for the actions of the security forces remained elusive, there were no questions about the origin of the demonstration. For the past five weeks, several thousand members of the Farmers

Movement of the Philippines (K.M.P.), a leftist peasant group with links to the Communist Party, have been camping in a tent city around the Ministry of Agrarian Reform, not far from Malacañang. Their cause, as summed up by Tadeo, a K.M.P. leader who escaped unharmed from the melee: "A minimum program of agrarian reform."

The land-reform issue is one of the most troublesome problems faced by the Aquino government. Landless peasants, organized by the Communists, are pressing demands that can only be met by adopting the N.P.A.'s plans for the wholesale confiscation of land from wealthy and powerful interests. (Aquino's own family has a 16,000-acre sugar plantation in Central Luzon.) The government favors gradual land reform without dispossessing landowners. Though hampered by a shortage of funds with which to purchase land, it has so far granted plots to 6,000 farmers and plans eventually to expand the program to benefit 4 million of the country's 39 million peasants.

The day before the ill-fated demonstration Tadeo met with Agriculture Minister Heherson Alvarez at the ministry office in Quezon City to discuss K.M.P. demands once again. The conversation soon deteriorated into a shouting match, and the two men nearly came to blows. Tadeo stalked out of the meeting and later told peasants at a rally, "In light of recent developments, the possibility that Filipino peasants will finally own the land they till is quite remote."

The government's carefully nurtured talks with the National Democratic Front collapsed the same day because of anonymous threats against the lives of the negotiators. Clandestine discussions had begun as early as August and had led to a 60-day cease-fire between the military and the insurgents that is to expire Feb. 7. In announcing the breakup of the talks, Teofisto Guingona, the chief negotiator for the government, explained that "some elements are out to destabilize not only the government but also the peace process," so that the lives of those directly responsible for the talks are "imperiled." Nonetheless, he said, "lines of communication [with the rebels] are continuously open."

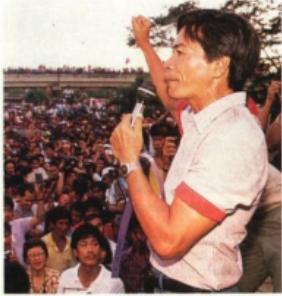
How much use those lines would see was unclear. Saturnino Ocampo, the top negotiator for the Communist insurgents, insisted that the guerrillas would observe the truce until Feb. 7, but did not appear optimistic about a resumption of discussions. Francisco Pasqual, another rebel official, suggested that last week's killings might "affect the peace talks because we support the marchers' right to organize and air their grievances." Evi-



A wounded protester is carried from the scene after the melee

dence also surfaced that the Communists had been prepared all along to pull out of the negotiations. In several towns guerrillas who had come out of the jungle during the cease-fire disappeared, apparently returning to their hideouts.

There were suggestions in Manila newspapers that anti-Communist hardliners in the military had helped undermine the peace effort. Though Aquino and Defense Minister Ilao favor negotia-



Communist Leader Ocampo talks to gathering



The President appeals for calm on national television

"Attempts to . . . defeat our democratic aims will intensify."

tions, some military officers argue that compromise with the Communists is impossible and that the cease-fire only postpones the inevitable resumption of fighting. A study conducted by army intelligence and released last week concluded that a "cessation of hostilities" was a "practical impossibility" because the revolutionary principles of the rebels are nonnegotiable. Enrile uses that very argument to rally his supporters against Aquino; the officers suspected of involvement in November's coup plot share his view.

The excitement generated by the Mendiola Bridge clash and the collapse of the truce talks nearly buried allegations of yet another conspiracy against Aquino. Though the President

denied that such an effort had been under way, top-ranking military officers handed him a document prepared for Major General Rodolfo Caniegos, the commanding general of the army, confirming that there had been new plotting. The report said the conspiracy had been hatched by five brigadier generals and a colonel who were "in league" with Marcos supporters and powerful businessmen "distrusted by the security situation." The report provided no explanation of how the effort had been foiled.

At week's end Aquino was facing yet another headache: release of a tape by Enrile's ally Homobono Adaza that records a phone call between the President and her representatives on the constitutional commission. The conversations indicate that Aquino strongly opposed language in the law that would bar U.S. bases, a point she addresses more gingerly in public. The only bright spot in the week, it seemed, was news that the Philippines' Western creditors had agreed to reschedule the country's \$870 million debt, an important international vote of confidence in the Aquino government.

With hopes of reconciliation with the Communists fading and the Philippine military less than united, observers in Manila suggested that Aquino would have to act swiftly and firmly to assert her authority. A favorable vote in the plebiscite on the constitution, for which she resumed campaigning late last week, should give her government some respite. In the end, however, she may not be able to avoid an out-and-out confrontation with anti-democratic forces of left and right, meaning that she may have to send the military back into battle with the guerrillas and put coup plotters behind bars. "Whatever Aquino does," said a ranking government official, "the honeymoon is definitely over." Now it is up to Aquino to make her presidency work.

—By Edward W. Desmond.
Reported by Nelly Sindayan/Manila



Severe menstrual pain. It could be warning you of more pain ahead.

Severe menstrual pain may not be normal. It may be a symptom of endometriosis—a condition that may affect up to 10 million women.

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Q1

World



Relaxing before the plunge: Waite with his Druze bodyguards prior to disappearing for secret negotiations with Islamic Jihad

TERRORISM

A Frenzy of Hostage Taking

Eight are kidnapped in Beirut after a hijack suspect's arrest

For the small knot of foreigners still crazy or desperate enough to brave the mean streets of Beirut, it was one of the worst weeks in memory. In the short span of eight days, eight new hostages were swept up in frightening new paroxysm of terrorist kidnappings. Almost any foreigner was fair game, and the reign of terror struck almost anywhere in the tortured city, from the backseat of a taxicab to a sun-drenched sidewalk, from a quiet hotel room to a seat of higher learning.

The first victim was Rudolf Cordes, a West German businessman, who was pulled out of his cab in the West Beirut slum of Ouzai by two carloads of pistol-wielding terrorists. Three days later, Alfred Schmidt, an engineer for Siemens, the giant West German electronics firm, was rousted from bed in his hotel room at gunpoint. He was led away wearing only his pajamas and a leather jacket. On Friday, two more men were kidnapped in downtown West Beirut. Police later said they were Lebanese Armenians, not West Germans as claimed earlier by the kidnappers. Finally, on Saturday night, a well-organized band of machine-gum-totting thugs pulled off the week's most daring escapade. Disguised as Lebanese police, they drove unchallenged onto the campus of Beirut University College, gathered four professors, three of them

Americans and the other an Indian-born man carrying a U.S. passport, and drove off, holding guns to the heads of their stunned prey.

The abductions brought to eight the number of Americans known to be held in Lebanon. Ironically, the episode that sparked the new wave of terror appeared to be the Jan. 13 arrest in Frankfurt, West Germany, of a Lebanese suspect in the 1985 hijacking of a TWA jetliner and the subsequent mur-

der of a U.S. Navy diver. The kidnappings also coincided with the latest mission to Beirut by Anglican Emissary Terry Waite, his first since it was revealed last November that the U.S. had sold weapons to Iran in exchange for hostages held by pro-Iranian groups in Lebanon.

Waite vanished on Tuesday into secret enclaves controlled by the Shi'ite terrorist group known as Islamic Jihad, or Holy War. Islamic Jihad is thought to be holding U.S. Hostages Thomas Sutherland, acting dean of agriculture at American University, and Terry Anderson, chief Middle East correspondent for the Associated Press. But when Waite, the towering (6 ft. 7 in.) envoy of Archbishop of Canterbury Robert Runcie, failed to re-emerge by early this week after five days of talks, fears grew that he might have become a kidnap victim himself.

Saturday's mass abduction began to unfold when three men wearing olive-drab uniforms and the trademark red berets of the Lebanese special police entered the college campus at about 7 p.m. in what appeared to be a police patrol jeep. They had campus security guards round up a dozen of the school's teaching staff, saying they wanted to discuss new security arrangements. When the group had assembled, police said later, the terrorists picked out the four professors, "drew their guns and took them all away."

"I thought they were regular policemen," reported a Lebanese campus guard. "They wore the red berets of the Squad 16 riot police, which made me un-



Packing up: West Germans loading car
The abductions were a rude awakening.

suspicious. I was astonished to see them about ten minutes later racing out in a jeep with the professors. They were pointing guns to the professors' heads. One of them yelled at me, 'If you talk we shall finish you!'

Police and university officials identified the Americans as Alann Steen, a journalism professor; Jesse Turner, a computer-science instructor; and Robert Polhill, assistant professor of business. The fourth victim was Mithileshwar Singh, chairman of the business department.

In Washington, the National Security Council informed Ronald Reagan of the kidnappings at the President's Camp David retreat. "The President is concerned," said a White House spokesman. "We hold those individuals who took the hostages responsible for the safety of the hostages, and call for their immediate release." State Department officials, meanwhile, re-emphasized that all of Lebanon is dangerous for U.S. citizens. Washington, they said, cannot guarantee the safety of those few Americans who continue to live there.

Even before last week's grim harvest of hostages, the roster of those already held captive in Lebanon consisted of five Americans, five Frenchmen, two Britons, an Italian, an Irishman, a South Korean and a Saudi Arabian. Last week Vice President George Bush confirmed that another American hostage, CIA Beirut Station Chief William Buckley, was killed last year by his captors. Anderson and Sutherland were abducted in the spring of 1985 by Shi'ite radicals. Their captors' principal demand: the release of 17 presumed Shi'ites who are serving prison sentences for, among other things, terrorist attacks on the U.S. and French embassies in Kuwait. Three other Americans, Joseph Cicippio, Frank Reed and Edward Tracy, are said to be held by groups called the Revolutionary Justice Organization and Arab Revolutionary Cells-Omar Mouktar Forces.

The outrages in Beirut followed what seemed a rare break in the long and painful campaign against international terrorism. That was the chance arrest in West Germany of Mohammed Ali Hamadei, 22, one of four alleged ringleaders in the TWA hijacking and suspects in the killing of Navy Diver Robert Stethem. Hamadei is thought to be one of the two gunmen who were actually aboard TWA Flight 847 when it was commandeered and who savagely beat and then shot the American sailor. Hamadei was detained at Frankfurt's international airport after officials discovered he was carrying a false passport and bottles packed with liquid explosives.



Jesse Turner



Alann Steen



Robert Polhill

West German elation at Hamadei's arrest quickly dissolved when Cordes, then Schmidt, was kidnapped. It was immediately assumed that the abductors planned to use the West German hostages as bargaining chips for Hamadei's release. The hostage takings were a rude awakening for West Germans. For years Bonn has cultivated good relations throughout the Muslim world. Partly as a result, the three-year spree of kidnappings in Lebanon, until now aimed mostly at the U.S. and France, has had little impact on Germans living in Beirut, who continued to operate more or less normally.

The West Germans' captors lost no time making their demands known. Within 24 hours of Cordes' disappearance, officials in Bonn received word that his kidnappers were indeed demanding a



Past but not forgotten: gunmen in the cockpit of TWA jetliner, 1985

hostage-for-prisoner swap. Suspicion immediately centered on the radical Shi'ite organization Hizballah (Party of God), to which Hamadei is thought to be linked. A West German radio station, quoting an unnamed Christian source in Beirut, said the abductions were planned by Hamadei's brother Abdul, who is thought to be a Hizballah security officer.

Bonn was also under pressure from the Reagan Administration to extradite Hamadei to the U.S., where he faces a dozen separate charges related to the 1985 hijacking. Early in the week, the Justice Department reluctantly agreed to promise that it would forgo the death penalty for Hamadei, bowing to a provision in the U.S.-West German extradition treaty

that prevents Bonn from turning over prisoners who face capital punishment. After first indicating that extradition would be arranged quickly, Bonn officials grew concerned that any such course would doom one or both of the new hostages. Turning Hamadei over to the U.S., they suggested, would take at least several weeks and might not be possible at all. Said one government official: "Nothing will happen suddenly."

For Chancellor Helmut Kohl, the hostage crisis could hardly have come at a worse time. In the closing days of a re-election drive that he was expected to win handily, Kohl was forced to spend much of his time directing the behind-the-scenes effort to free the hostages. Bonn's strategy: to negotiate the release of the German hostages with the help of Middle East governments linked to Hizballah, including Iran and Syria. The Chancellor carefully consulted leaders of the opposition Social Democratic Party, the major challenger to his center-right coalition. SDP Candidate Johannes Rau declared that the hostage crisis would not become a last-minute election issue.

Even as the crisis escalated, Anglican Emissary Waite decided to prolong his latest mission to the Lebanese capital.

Just before his scheduled departure from Beirut early in the week, Waite announced that he had re-established contact with the Islamic Jihad and promptly drove off into West Beirut with his usual bodyguard of Druze militiamen. As time passed and Waite did not reappear, both Anglican officials in England and Waite's Druze protectors repeatedly assured the press that he was in no danger. Said a Druze spokesman late Friday: "He is fine, and he is still negotiating with the hostage holders."

The mission was Waite's fifth attempt to free hostages held in Lebanon. When the U.S.-Iran arms-for-hostages deals surfaced, there was immediate speculation that the secret American weapons shipments to Iran—and not Waite's negotiating skills—might have been responsible for the release of three U.S. hostages; originally the Anglican official had been credited with securing their freedom. Last week Waite insisted that despite Iran's "credibility has not been affected as a negotiator." Perhaps not. But as the list of hostages continued to lengthen, even in the face of delicate negotiations and secret deals, more than a few government leaders had to be wondering exactly what could be done to end the terror.

—By Michael S. Serrill.

Reported by Scott MacLeod/Cairo and William McWhirter/Bonn

World

THE GULF

The Long Siege of Basra

Iraqi defenders stall an Iranian assault on a strategic city

After two weeks of ferocious shelling by Iranian forces, Iraq's besieged southern port city of Basra is becoming a ravaged wasteland of damaged buildings and pockmarked streets. Toxic gas has engulfed an area south of the city where Iranian artillery barrages set fire to a petrochemical complex. Demoralized and frightened, thousands of the city's 1 million residents have reportedly fled north to the capital of Baghdad in cars, on bicycles and on foot. Said a U.S. official: "If there is a victory in this for the Iranians, it is that they have been able to create the impression that Basra is not a functioning city anymore."

Still, Iraqi defenders last week fought the Iranian offensive to a blood-drenched standstill. Some 60,000 Iranian troops remained dug in six miles east of the heavily fortified earthenwork defenses, known as the "wall of steel," that surround the city. The Iranian attackers were under constant bombardment by the superior air-and-fire-power of Iraqi President Saddam Hussein's forces. The wounded were said to number 15,000 for the Iraqis and 45,000 for the Iranians. Since Iran began its latest series of attacks on Christmas Eve, an estimated total of 30,000 combatants have perished.

As the six-year-old gulf conflict dragged on, military observers noted a strategic anomaly. Despite clear advantages in weaponry and training, the Iraqis have thus far been unwilling to commit troops decisively on the front to dislodge the Ayatollah Ruhollah Khomeini's fanatical Revolutionary Guards. Said Pentagon Spokesman Robert Sims: "The battle for Basra is becoming one of the largest battles of this lengthy war."

For now, Iran appears to hold the upper hand, if only psychologically. The Iraqis have been put on the defensive by the recent campaign, for which both sides have amassed at least 200,000 soldiers. Since beginning its offensive in Decem-



In the hands of Tehran: a prisoner of war
Since December, 30,000 have perished.

ber, the Iranian army has made small gains south of Fish Lake, a 120-sq.-mi. area flooded by the Iraqis as a defensive barrier. Iran has also made incremental progress southeast of Basra in the marshy terrain along the Shatt al Arab, a strategic waterway that affords access to the Persian Gulf. The new toehold has enabled the Iranians to bombard Basra from closer range.

Iraq has counterattacked with devastating air raids on a dozen Iranian cities, including Tehran, Isfahan and the holy city of Qum. Iran's Islamic Republic News Agency reported last week that 212 civilians had been killed and more than 600 wounded in the raids. Iran retaliated by firing a long-range missile that struck a residential area of Baghdad, causing dozens of casualties.

The siege of Basra seemed to have turned up the pressure considerably on the Iraqi government. In a Baghdad radio

address, Saddam referred to Khomeini's "human wave" assaults, accusing the Iranian leader of "appealing, as if the devil were between his eyes, for further men to push into the inferno of death." He repeated his offer for a peace settlement, which the Iranian government promptly rejected. Meanwhile, a government-controlled newspaper published a decree by the Iraqi Revolutionary Command Council asking for volunteers aged 14 through 25 to enlist in the army.

Officials in Washington downplayed Iran's successes and described the military situation around Basra as stable. Said U.S. State Department Deputy Spokeswoman Phyllis Oakley: "We do not believe Basra is in imminent danger of falling. The Iraqis possess a great advantage in equipment and are committed to defending their territory." Other observers say the Iranian thrust toward Basra has placed an even heavier strain than usual on Iran's economy and its reserves of weapons. But none anticipate any lessening of Tehran's resolve as long as there is a chance Basra can be taken.

Iraq's Arab neighbors have been monitoring the fighting with concern. Iraqi spokesmen believe that if Basra falls, the Ayatollah will declare the creation of an Iranian-style Islamic republic in the predominantly Shi'ite area around the city. Khomeini, however, has never publicly declared that goal, and some analysts think the tactic would backfire by arousing fear among neighboring states about Iranian territorial ambitions. In an effort to reassure U.S. allies in the gulf, President Reagan last week declared, "We would regard any such expansion of the war as a major threat to our interests, as well as to those of our friends in the region."

Iranian strategists, for their part, hope that the fall of Basra leads to the destruction of the Iraqi war machine, and thus the downfall of its leader. But the Iraqi President, who has led his country for seven years, seems determined to win a military victory over Iran. Most observers believe the Baghdad government would collapse only if Saddam's military commanders concluded that he had unsuccessfully prosecuted the war against Iran. Even then, any successor from the ranks of the Iraqi military would probably be more aggressive toward Iran.

The Iraqi leader will have the opportunity to seek the sympathy of other Arab leaders this week at the fifth Islamic summit meeting in Kuwait. But shows of support will be unlikely to influence Tehran, which has already issued a statement declaring that any resolution approved at the summit will not be "legally binding." The Iranians have vowed to continue the war until Iraq is crushed. Given that resolve, the siege of Basra is almost certainly only a prelude to bigger and bloodier battles to come.

—By Nancy Traver.

Reported by Dean Fischer/Cairo and Johanna McGahey/Washington

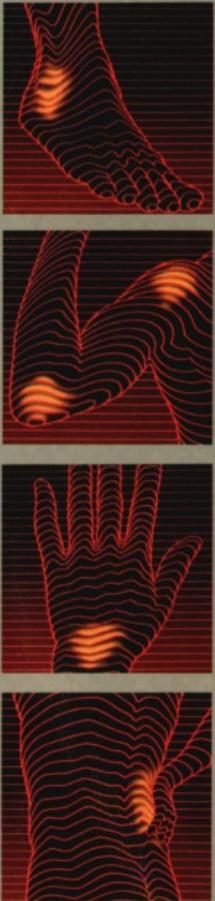
THE BATTLE LINE



Map built by Iraq in 1982 to defend Basra

Iranian forces attempted to close in on Basra, while Iraqi troops battled to stop them. Neither side made a breakthrough.

TIME Diagram by Joe Lertola



Why new MEDIPREN® ibuprofen is a better choice than aspirin for body aches and pains.

Everybody experiences body aches and pains. They run the gamut from low back pain to aching muscles. From the acute pain of a sprained ankle to the minor pain of arthritis. And they include menstrual cramps, which can recur like clockwork.

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Q. Why is MEDIPREN better than aspirin?

A. Just one MEDIPREN tablet relieves pain more effectively than two regular strength aspirin tablets.

In addition to its effectiveness, MEDIPREN is safer for your stomach than aspirin products because it contains ibuprofen. Years of medical experience have proven that ibuprofen is less likely to cause stomach irritation than aspirin. This is important when you are medicating for the type of body aches and pains that don't go away overnight. To get needed relief you'll probably have to medicate two or three times a day for several days.

So when you consider both efficacy and the risk of stomach irritation, MEDIPREN is indeed a better choice than aspirin.

Q. When should you use MEDIPREN?

A. MEDIPREN is particularly well suited for relieving the pain of sprains and strains, aching muscles, the minor pain of arthritis, and menstrual cramps. Of all the nonprescription pain relievers recommended by physicians for menstrual cramps, the active ingredient in MEDIPREN is the drug of choice.

While MEDIPREN contains no aspirin and is a better choice than aspirin for body aches and pains, people who have experienced an allergic reaction to aspirin should consult their physician before using MEDIPREN.

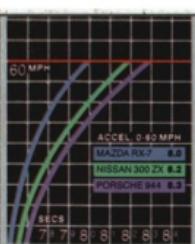
Q. Who makes MEDIPREN?

A. MEDIPREN is brought to you by the makers of TYLENOL® products, so you know it is a product you can trust. But MEDIPREN is very different from TYLENOL. TYLENOL, the pain reliever hospitals use most, contains acetaminophen, which is ideally suited for headaches, fever reduction, and general pain. However, MEDIPREN contains ibuprofen, ideal for relieving body aches and pains.

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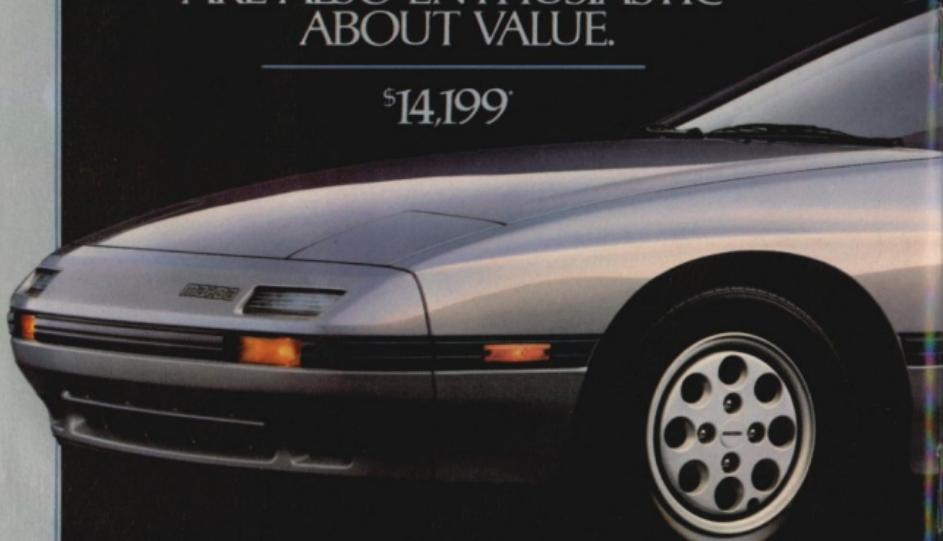
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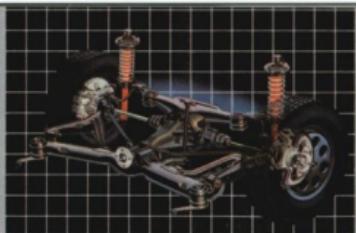
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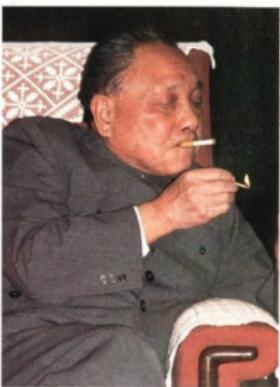
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A Crackdown Campaign Goes On

Peking purges liberals and slows economic reforms

In early December, students of the University of Science and Technology in Hefei launched a wave of pro-democracy demonstrations that spread to major cities across China. Last week the same students found a quieter way to express their sentiments: at least 1,000 reportedly signed their names in souvenir albums that paid homage to the university's ousted president, Guan Weiyuan. The veteran educator and physicist had been sacked for not exercising tighter control over University Vice President Fang Lizhi, an outspoken defender of liberalization who had also lost his job after the marches. As he left his office, Guan penned a calligraphic farewell to his students: "Study hard. The opportunity to serve the country will come." It sounded like a subtle plea not to give up hope.

Partisans of greater democracy in China, however, had little cause for optimism. Purges of intellectuals continued. An ideological campaign gathered force to rescind many of the political and economic freedoms permitted recently by Hu



Deng Xiaoping relaxes with a cigarette
Mistakes were due to "moving too fast."

Yaobang, the Communist Party's General Secretary, removed from his post two weeks ago and replaced by Prime Minister Zhao Ziyang. With Fang Lizhi and Author Wang Ruowang already tossed out of the party for advocating "bourgeois liberalism," the purge turned last week to the president and vice president of the Chinese Academy of Sciences, who were removed from office. They had been responsible for the administration of the rebellious university in Hefei. In addition, Liu Binyan, a prominent journalist, was expelled from the party for attacking Marxism as an "outdated ideology." It was unclear how many more heads might roll, but little doubt remained that China's latest experiment in political relaxation had come to a halt.

The shake-up left some major questions unanswered. Who would succeed Paramount Leader Deng Xiaoping, 82, who had named Hu to the top party post seven years ago and had supposedly groomed him as his political heir? What would become of Deng's sweeping economic reforms, aimed at modernizing agriculture and industry through the use of Western-style technology and limited free-market mechanisms? On the questions of economic and foreign policy, China's two top leaders sought to give assur-

Thinking About Home

Ever since students in China began pressing for democratic reforms last December, thousands of their compatriots studying at U.S. colleges and universities have closely watched their progress. Even so, the over 14,000 Chinese students in the U.S. kept mum about the demonstrations and the subsequent government crackdown. Last week the silence ended. While their fellow students in China protested the latest crackdown on reforms with their signatures, some 1,000 Chinese students in the U.S. made their feelings known in a dramatic and unprecedented gesture of their own: they signed an open letter to the Communist Party hierarchy questioning the government's tough response to student calls for reform.

Earlier this month Chinese students began meeting on campuses ranging from Harvard to Berkeley to draft a two-page letter that was eventually signed by students from dozens of schools across the U.S. The letter, though phrased in polite language, expressed strong disapproval of the ouster of Communist Party Chief Hu Yaobang, a prime mover in China's liberalization movement. The students warned that the expulsion from the Communist Party of prominent intellectuals associated with the reform movement was not "conducive to building a system of democracy. We fear the reoccurrence of the Cultural Revolution."

Irritated Chinese officials

promptly responded that the letter writers did not represent the "overwhelming majority of the Chinese abroad," who "welcome" Hu's resignation. Whatever the truth of that claim, the protest by the U.S.-based students clearly stung. Said China Scholar Anne Thurston: "It is always significant when anyone who is Chinese and who plans to go back to China puts his name on a document of protest." Declared a student from Shanghai at Columbia University: "Chinese students overseas are becoming an independent political influence in China's politics."

The letter was yet another reminder to Chinese authorities that sending students to the U.S. for study can be a risky business. Although many of them are party members, their exposure to American political values, says one student, "makes them more democratic." Confirms Maria Chang, a political scientist at the University of Puget Sound: "They are the most uncynical believers in American democracy."

Peking's aim in allowing foreign study was to satisfy a thirst for Western technology. Since 1978 increasing numbers of Chinese have enrolled in American schools, usually to pursue degrees in mathematics or the sciences. The students, many of whom are awarded government aid or fellowships, generally work hard and live frugally.

But an official publication recently reported that more than half of them have yet to return home. Judging by Peking's stern response to the student protests at home, the show of independence by Chinese students in the U.S. will probably not go unchallenged.



Chinese students stroll across Harvard Yard

World

ances that no drastic shifts were in the works. Zhao told a visiting Hungarian official last week that the "personnel changes will not affect our line and policies." Speaking with another visitor, Deng noted that "China needs further opening" to the outside world. The country's "mistakes," he added, "were due to demanding too much and moving too fast." That appeared to mean that Deng's reforms would continue, but at a slower pace.

There were other signs that the modernization program might be in danger. The State Council, China's executive branch of government, announced that no more products would be added to the categories in which prices are allowed to float. An official report stressed the importance of "mandatory" centralized planning. The reformers' emphasis on stimulating consumer demand was criticized in the *People's Daily*, the party newspaper. In addition, the State Council set up a new press and publications office with full censorship powers and the authority to license publications and close down "illegal" printing operations.

Underpinning the latest government moves was a campaign led by hard-liners like Peng Zhen, 84, chairman of the National People's Congress and a former mayor of Peking. It was a Peng speech defending Communist orthodoxy last November that apparently laid the groundwork for the conservative resurgence. Earlier this month the *People's Daily* took the unusual step of publishing another Peng address in its entirety. The speech stressed the "four cardinal principles" of the Chinese system, including the leadership of the Communist Party and the importance of Marxist-Leninist-Maoist thought.

The attacks by the conservatives, however, were only one factor behind Hu's removal. Another was opposition by the military leadership. There were also hints of a personal falling-out between Hu and his former mentor, Deng. According to press accounts in Hong Kong and Japan, the relationship between the two men began to sour after Hu reportedly suggested that Deng step aside and pass power to him. Thus, when the conservatives blamed Hu for last month's demonstrations, Deng switched his backing to Premier Zhao, a pragmatist untainted by notions of political liberalism.

Assuming that Zhao will have to give up his job as Premier, the choice of his successor will be a key indicator of China's future direction. A leading candidate appears to be Li Peng, 58, a conservative Politburo member and Soviet-trained engineer who speaks fluent Russian and has advocated closer ties with Moscow. While U.S. officials say they are uncertain about where China is headed, Secretary of State George Shultz hopes to gather some valuable firsthand impressions when he visits Peking in March. —By Thomas A. Sancton. Reported by Richard Hornik/Peking and Bing W. Wong/Hong Kong

SOVIET UNION

Siren Songs from Moscow

Exiled artists receive an offer that may be hard to refuse

When Mikhail Baryshnikov fled a touring Soviet dance troupe in Toronto in 1974, he left a homeland he loved and a professional life he could no longer bear. A performer of electrifying excitement, "Misha" saw nothing but stagnation in the rigid Soviet system. In the U.S., however, his dreams have come true: he danced the gamut of Western choreography, now heads a major company, the American Ballet Theatre, and is making his third film, *Giselle*. His second movie, *White Nights*, tells the tale of an émigré star whose plane crashes in the Soviet Union, forcing him to outwit the KGB in a second flight to freedom.

Last week the seemingly unthinkable happened. In one of the most startling turns yet in Soviet Leader Mikhail Gorbachev's campaign of *glasnost* (openness), Baryshnikov was asked to visit Moscow to dance with the Bolshoi Ballet. The invitation came from Yuri Grigorovich, the artistic director of the Bolshoi, who was in the U.S. to arrange a tour by the Soviet company, which has not been to the U.S. since 1979. Baryshnikov hesitated. "That's very nice," he reportedly answered. "But I'll have to think about it."

The Soviet offer, besides being a personal vindication for Baryshnikov, helps confirm indications that dozens of other prominent Soviet-born dancers, artists, writers and filmmakers who reside in the West may be permitted to return to their native land. "If you had asked me just six months ago whether this was possible, I would have said no," said Dusko Doder, the author of a new book on the U.S.S.R. called *Shadows and Whispers*. Until recently all defectors were stripped of their citizenship, and their names were banished from public records.

Baryshnikov is not the first prominent defector to receive feelers from Soviet officials about returning. Last week Ballerina Natalia Makarova got a similar offer from Grigorovich. The Soviets have also approached Cellist Mstislav Rostropovich, Novelist Vasily Aksyonov and Theater Director Yuri Lyubimov. Grigorovich noted that there is a new "atmosphere of openness" in the Soviet Union. Said he: "We now have a wise leader who is loved by the whole country."

Western diplomats in Moscow see two motives in Gorbachev's initiative. They believe that the Kremlin would like to limit defections by giving artists enough freedom to make it unnecessary for them to flee the country. Rules governing travel abroad for artists and intellectuals are being relaxed, provided their trips are financed by foreign sources. Gorbachev would like to gain the trust of the Soviet intelligentsia, something no Soviet regime has enjoyed since Lenin. "He's giving them a little more room to work," said one diplomat, "and in return he will expect their help in his foreign and economic policies."

Since Baryshnikov and other defectors have been reviled in the press as traitors, Gorbachev risks alienating conservative officials by inviting them back. But the Soviet leader is apparently counting on strong public backing to offset any such problems.

Men like Baryshnikov and other defectors have been reviled in the press as traitors, Gorbachev risks alienating conservative officials by inviting them back. But the Soviet leader is apparently counting on strong public backing to offset any such problems.

—By Michael S. Serrill.

Reported by James O. Jackson/Moscow



Taking some time to mull it over: Mikhail Baryshnikov on the set of *Giselle* near Rome

World Notes



Suffering the ravages of time and tourists: the deteriorating *Last Supper*



Cremation in paradise: a spiritual and political rebirth

ITALY

Supper Hours Are Ending

The Last Supper, Leonardo da Vinci's masterpiece, which is located in the former refectory of Milan's Santa Maria delle Grazie convent, was said to have begun deteriorating almost as soon as it was finished in 1497. The surface cracked because Da Vinci used an experimental primer on the wall. Then came the ravages of flooding, the cutting of a doorway, clumsy restoration and Allied bombing during World War II. But the latest attacks have come from modern tourists.

According to Italian restorers assessing the treasure with electronic microscopes, visitors track in urban dust and bacteria, and their rumbling tour buses spew fumes into the air around the painting. Within the next few weeks the public will be barred from viewing *The Last Supper* at least until restorers finish work on it, probably after 1990.

IRELAND

Deciding To Split

Ireland's Fine Gael party has been in a marriage-of-convenience coalition with the smaller Labor Party for four years. While civil divorce is still illegal in Ireland, political

divorces are not—and so last week the two parties split. Prime Minister Garret Fitzgerald, the Fine Gael leader, wanted to slash social spending as part of a program to reduce a \$2 billion budget deficit. Labor ministers, who preferred to increase taxes instead, promptly resigned.

The government called for new elections on Feb. 17. The opposition Fianna Fail party is now far ahead in public opinion polls. A victory would make its leader, Charles Haughey, Prime Minister.

YUGOSLAVIA

Bon Voyage To an Old Rebel

Although political dissidents in Yugoslavia enjoy a measure of freedom unusual in Communist countries, they are rarely permitted to travel abroad. Thus it came as a surprise last week when the Belgrade government issued a passport to its most vociferous critic, Milovan Djilas, 75. The internationally renowned author, a founder of Yugoslavia's Communist system and a top aide of the late Josip Broz Tito's, had been denied a passport for nearly 17 years.

The reasons date back to 1953, when Djilas, then Tito's heir apparent, began criticizing the regime he had helped establish. Djilas' denunciations were eventually published abroad in his articles and

books, including *The New Class*. Djilas was jailed several times, spending a total of nine years behind bars. He was finally set free in 1966, but since then has continued to criticize the Yugoslav government. As recently as 1984 he was detained by police.

Now in failing health, Djilas intends to visit his son Alekse, the editor of a political journal in London. After being officially warned not to do anything abroad that might cause another arrest on his return home, the old rebel declared, "My views are well known."

THAILAND

A Rite of Forgiveness

In the battles of Elephant Pass, fought more than five years ago, the Royal Thai Army ended two decades of Communist sway over most of southern Thailand. Last week the army and several thousand ex-Communists met again, but this time under very different circumstances. They came together for a ceremony of forgiveness, a mass cremation of 523 Communists killed at Elephant Pass.

Thus the dead, who were effectively declared misguided, were accorded a sacrosanct rite of passage that permits them, according to Buddhist belief, to be reborn. Responding to the ceremony

of forgiveness, 51 Communists who came to the mass burial surrendered to Thai authorities.

SOUTH KOREA

Admission Of Torture

This time the evidence was too overwhelming to ignore. The South Korean government has long denied it was treating political detainees brutally, but last week officials admitted to one serious case. They revealed that Park Jong Chul, 21, a Seoul National University student, had suffocated to death during water torture by police as they questioned him. The surprisingly candid disclosure followed well-publicized accusations by the doctor who had been called in to revive the youth and by Park's relatives, who had seen wounds on the body.

Park's reputed killers were arrested, and President Chun Doo Hwan dismissed the director general of the national police force and the Minister of Home Affairs. Nonetheless, university students protesting Park's death held a memorial service and campus protest marches, and the opposition seized the new popular issue. Trying to burnish his country's image before the 1988 Summer Olympics in Seoul, Chun called for the creation of an agency to prevent such "isolated" incidents in the future.

Economy & Business

COVER STORIES

Pul-eeze! Will Somebody Help Me?

Frustrated American consumers wonder where the service went





For Harry Hapless, it was a rough day in the service economy. His car, a Fiasco 400, started sputtering on the highway, so Harry pulled into a gas station for help. "Sorry, no mechanics, only gas!" shouted the attendant. "How can you call this a service station?" yelled Harry. He went to the bank to get some emergency cash for a tow truck, only to find the automatic teller machine out of order, again. "Real nice service!" he muttered. Then Harry decided to use a credit card to buy a tool kit at the Cheapo discount store, but he couldn't find anyone to wait on him. "Sorry! Anyone, please! Help me!" was his cry.

It had been a trying day indeed. Harry thought as he rode a bus home, but at least he could look forward to a trip to Florida the following week with his wife Harriet. That is, until Flyway Air called: "Sorry, Mr. Hapless. Due to our merger with By-way Air, your Florida flight has been canceled." Harry got so angry he was going to call the Federal Aviation Administration immediately. But just then his phone went dead—no doubt because the Bell System had been split up, he imagined. Well, that was the last straw. A few minutes later a

wild-eyed Harry burst into the newsroom of his local newspaper. "I've got a story for you!" he cried. "There is no more service in America!"

More and more consumers are beginning to feel almost as frustrated as Harry Hapless. Personal service has become a maddeningly rare commodity in the American marketplace. Flight attendants, salesclerks and bank tellers all seem to have become too scarce and too busy to give consumers much attention. Many other service workers are underpaid, untrained and unmotivated for their jobs, to the chagrin of customers who look to them for help. The concept of personal service is a difficult quantity to measure precisely, to be sure; the U.S. Government keeps no Courtesy Index or Helpfulness Indicator among its economic statistics. But customers know service when they miss it, and now they want it back. Says

Thomas Peters, a management consultant and co-author of *In Search of Excellence*: "In general, service in America stinks."

Economic upheaval is to blame. First came the great inflation of the 1970s, which forced businesses to slash service to keep prices from skyrocketing. Then came deregulation, which fostered more price wars and further cutbacks. Meanwhile, service workers became increasingly difficult to hire because of labor shortages in many areas. At the same time, managers found that they could cut costs by replacing human workers with computers and self-service schemes. It all makes perfect bookkeeping sense for businesses, but the trend has left consumers without enough human faces to turn to for guidance in spending their billions of dol-



Economy & Business

lars on services. Americans tolerated, and even welcomed, self-service during an era of rising prices, but now a backlash is beginning. Result: some companies are scrambling to make amends, and "quality of service" is on its way to becoming the next business buzz phrase.

Ominously, the rising clamor suggests that something fundamental may be wrong in the vaunted U.S. service economy, in which the country has put so much hope for future prosperity. If service industries are beginning to dominate the economy, one might ask, why is there so little good service to be found? Is America in danger of becoming the no-can-do society? The question is becoming increasingly urgent. As manufacturing has declined in relative importance, the service sector has become the engine of U.S. economic growth. Of 12.6 million new jobs created since the end of the last recession, in 1982, almost 85% have been in service industries as opposed to goods-producing fields.

Sloppy service could become more than just a domestic annoyance. Econo-

we manage them, and how much they contribute to the nation's economic health."

The potential of service businesses losing touch is chilling because it was the U.S. that practically invented the concept of good service on a mass-market scale. The country's huge appetite for reliable service gave rise to such pioneers as AT&T, IBM, American Express, McDonald's and Federal Express. But many U.S. companies today are failing to achieve the right balance of high-tech expedience vs. personal attention. "The state of service is pretty bad," admits Kenneth Hamlet, president of the Holiday Inn Hotel Group.

Among consumers, swapping horror stories about their confrontations with poor service has become a cathartic exercise. Many have never obtained satisfaction for their gripes, despite exhausting efforts. Kevin Kinnear, a Chicago software engineer, became increasingly angry with each of four trips to his car dealer to get the cruise



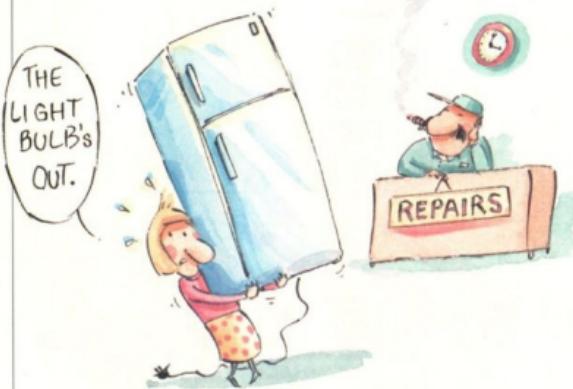
the city's west side, she got a refund only after answering brusque questions and signing papers. At no time did anybody apologize or give the slightest sign that they regretted spoiling her dinner.

Some of the longest, most tortured consumer stories involve home delivery. When Tony and Sandra Cantafio of Redondo Beach, Calif., bought a bed last October, they had to wait four weeks for it to arrive because of lost paperwork and other snafus. The result for Cantafio was an aching back from sleeping on the sofa. But there was another pain: to get the bed finally, Cantafio had to take an entire day off from his job as an aerospace executive because the deliverymen refused to predict what time they would arrive at his home.

In other cases, workers spoil an otherwise fine job with an almost creatively bad gesture. A Manhattan woman who bought carpet from a tony department store was pleased that the two installers were so friendly and efficient, but puzzled about why they left "like two robbers in a getaway car." Later she discovered the reason: they had used her bathroom as a Dumpster for a three-foot pile of carpet clippings and packing material.

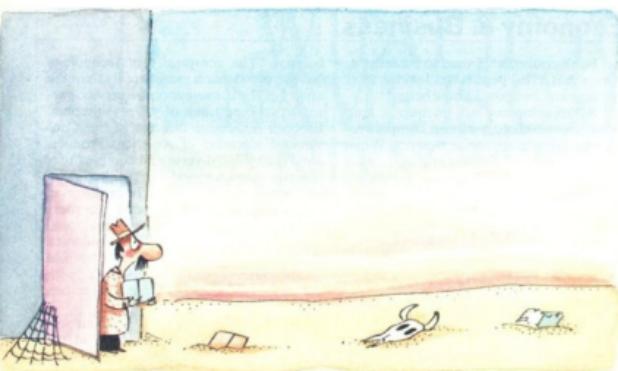
Sometimes consumers encounter sales clerks who cannot find the "on" button on electronic equipment they are selling. A clerk handling vacuum cleaners in a department store confesses to a customer, "I don't know a damn thing about these." Over in the shoe department, clerks nowadays may simply dump boxes at customers' feet rather than helping them with the merchandise.

Consumer grief is even becoming part of the pop culture. Comedian Jay Leno says that when he chided a supermarket clerk for failing to say thank you, she snapped, "It's printed on your receipt!" The film *Back to the Future* cracked up its audiences with a scene in which Michael J. Fox's character, who has traveled back in time, walks past a 1950s-era filling station and is flabbergasted to see four cheery attendants in



mists have begun to warn that slipping standards could cost the U.S. its international competitive standing in services and thus worsen the country's trade problems. Japanese banks, for example, have already made inroads into the U.S. market. In the November-December issue of the *Harvard Business Review*, Professor James Quinn and Researcher Christopher Gagnon of Dartmouth's Amos Tuck School of Business contend that many U.S. service businesses have developed the same shortsighted habits and inattention to quality that American manufacturers have been guilty of—with disastrous results. "While there is still time," they write, "it is essential to take a hard look at how we think about services, how

control repaired on his 1985 Buick Century. Finally, he gave up when the mechanics made it clear that they no longer wanted to deal with his problem. Jane Ullman, a Santa Monica, Calif., sculptor, thought her refrigerator problems were over when deliverymen installed a new deluxe model in her kitchen. But her woes were just beginning: the workmen broke the refrigerator's copper pipes, which took several visits from repairmen to fix. "People have learned to take shoddy service in stride," she says wearily. Even when they speak up and get their money back, consumers often come away with a feeling of being abused. Earlier this month, when a Los Angeles homemaker took back a foul-smelling piece of fish to a supermarket on



neatly pressed coveralls. Like a pit crew at the Indianapolis 500, they dash up to a car and proceed to fill the gas tank, check the oil, clean the windows and polish the chrome.

Current U.S. levels of service sometimes appear lax to Americans when they return home from trips to Japan and Western Europe. While no country boasts the highest standards in every field, other cultures are more demanding of some services than America is. Most European countries insist on timely and efficient service on their railroads and airlines, which receive state subsidies to assure that performance. Americans who visit London typically come away with fond memories of the city's excellent taxicabs and subway system. The shortage of personal attention comes just when U.S. consumers are enjoying a cornucopia of novel products and services. Thus the deterioration of basic, personal service is taking the fun out of the new offerings. Shoppers can now find ten kinds of mustard and a dozen varieties of vinegar in a supermarket, but where is a clerk who can give a guiding word about these products? Airlines offer a bonanza of cheap fares, but many travel agents no longer want to be bothered handling such unprofitable business. That leaves consumers on their own, so they have to grab brochures and do their homework if they hope to make a correct decision. To take advantage of consumer advances today requires a tougher and smarter buyer.

Yet a growing number of shoppers have no time to get smart. Two-income households have become hooked on convenience. Their expectations of quick, personal service have risen at a time when they are less likely to find it. Result: growing friction between harried workers and hurried customers. Says Irma Reyes, a New York City bank teller: "We try to service customers within three minutes after they walk into the bank, but they expect you to work miracles for them. Some customers get annoyed simply because you ask for identification."

The widespread perception of poor

service has reached most corners of the U.S. because some of the worst offenders are national chains. Yet big-city consumers more frequently encounter poor service because some businesses feel they have an abundant supply of customers and thus are not dependent on long-term relationships with the shopper. Says Paul Schervish, a sociology professor at Boston College: "The situation is adversarial in a peculiar way. The seller acts as though the customer's gain is his or her loss and not mutually beneficial." In small towns with a more limited pool of shoppers, by comparison, buyer and seller have a long-term expectation of encountering each other again.

The simple reason that service workers have so little attention to give is that businesses often overwork them to save labor costs and keep prices low. Flight attendants, for example, once had time to chat with their passengers, but now their work is so speeded up that they can barely make sure all seat backs and tray tables are in their upright positions. If today's jumbo jets were staffed at the levels of a decade ago, an airline union official says, the planes would carry 20 flight attendants instead of twelve to 14.

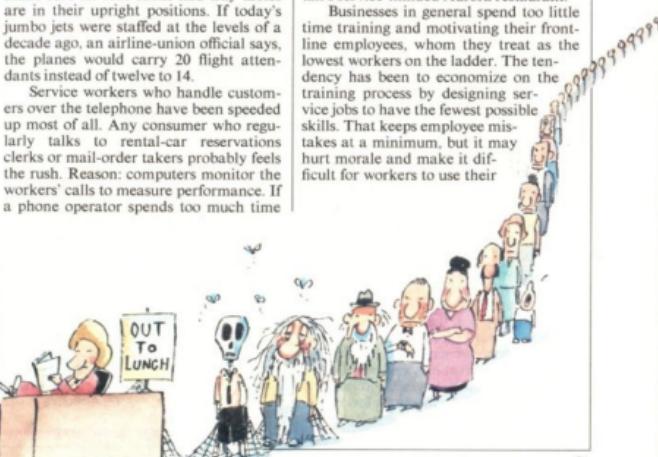
Service workers who handle customers over the telephone have been speeded up most of all. Any consumer who regularly talks to rental-car reservations clerks or mail-order takers probably feels the rush. Reason: computers monitor the workers' calls to measure performance. If a phone operator spends too much time

with one customer, it spoils his or her average and standing on the job. Operators have been known to fake a disconnection when customers ask questions that are too complicated. Observes Harley Shaikin, professor of work and technology at the University of California at San Diego: "These assembly-line methods increase profits by boosting productivity, but there is a long-term hidden cost—the decline in service."

Many businesses would hire more service workers if they could, but a post-baby-boom shortage of young workers has created a critical scarcity of labor to handle minimum-wage (\$3.35-an-hour) positions in restaurants and stores. Moreover, many salesclerks, delivery-truck drivers and other service workers are unmotivated because of the low pay and lack of career path in their jobs. Says Journalist David Halberstam, whose recent best seller *The Reckoning* chronicled the decline of America's auto industry: "The main questions are: Does this job lead to anything? Does it have any dignity? No. We are dividing ourselves along class lines by education."

Too many service workers lack any pride or satisfaction in their jobs, especially in a society that, like America's, puts so much emphasis on speed upward mobility. Says Thomas Kelly, an assistant professor at Cornell University's School of Hotel Administration: "In our culture, these jobs are not considered a worthwhile occupation. When workers view giving service as beneath them, it shows." The problem is notable among restaurant waiters, whose jobs were once regarded as legitimate careers. Now most waiters spend too little time in their jobs to become seasoned. "Sometimes I miss the graying at the temples among my staff," says Joseph Baum, co-owner of Manhattan's service-minded Aurora restaurant.

Businesses in general spend too little time training and motivating their front-line employees, whom they treat as the lowest workers on the ladder. The tendency has been to economize on the training process by designing service jobs to have the fewest possible skills. That keeps employee mistakes at a minimum, but it may hurt morale and make it difficult for workers to use their



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heads to solve unusual consumer problems when they arise. "Service people can become so robotized in their actions that they greet any customer request with a standardized response," write Karl Albrecht, a management consultant, and Ron Zemke in their 1985 book, *Service America! Doing Business in the New Economy*.

Too much of the training tends to dwell on handling the machinery of a job rather than the feelings of the customers. Cashiers must typically type a multidigit inventory code into a computer just to sell a 50¢ birthday card. That process reduces the number of accountants needed back at corporate headquarters but does nothing to help either the customer or the salesperson's sense of worth. Confesses an Avis car-rental clerk at a desk in a posh Los Angeles hotel: "The computer training was real good. I know how to do all this technical stuff, but nobody prepared me for dealing with all these different types of people."

Consumers want smiles more than ever because they have become strongly resentful of machines, even though computers have made services more efficient in many respects. Behind-the-scenes mainframes enable auto-rental firms, for example, to keep a customer's account information on file so that making a reservation takes only 30 seconds on the telephone. No one would want to give up such conveniences, yet the more that computers come into play in handling consumers, the more customers crave reassurance that humans will intervene when help is needed. Gripe Howard Milleaf, a New York City lawyer and Chemi-

cal Bank customer: "I used to have the illusion that a real person was looking after my account, but now I know better!"

Some computer-buff managers tend to impose technology almost compulsively, whether it is appreciated or not. When Virginia Boggs of Bellflower, Calif., went to a department store to buy a wedding gift, the clerk told her to go to a nearby computer and punch in the bride's name to learn her silver pattern. Boggs, who is computer-illiterate and proud of it, re-

bounds, "The complexity of technology has increased much more rapidly than the ability of the consumer or the service personnel to keep track of it," says Stephen Brobeck, executive director of the Consumer Federation of America. Products have become so diverse and complex that friendly neighborhood repair shops can no longer provide service. In most cases, everything from videocassette recorders to food processors must be sent to regional repair centers. Autos have become such

sophisticated machines by and large that only dealers with space-age diagnostic devices can fix them.

The heyday of personal service probably came early in the postwar era, when labor was relatively cheap and prices were fairly stable. Businesses could afford to lavish attention on customers, who in turn shopped for the most personable service. Music stores, for example, provided record players so that customers could give disks a spin before buying them, and drugstores offered free delivery. But during the decade of rampant inflation in the 1970s, when prices rose 87%, consumers became willing to give up service in return for the lowest possible price tag. They began buying in bulk, bagging their own groceries and shopping in warehouse-like mega-stores.

As discount chains like K mart and Wal-Mart flourished in the retail industry, rivals were forced to cut their payrolls to stay competitive. In that environment, in which shoppers began to think of brand-name products as commodities, businesses that still offered knowledgeable sales help were taken for a ride by consumers and competitors. Shoppers



fused. "I don't even use the computer in my own business," she said. "Why should I run theirs?"

Disgruntlement with services runs almost counter to the prevailing attitude about products. Consumers show a reasonable level of satisfaction with the merchandise they buy, thanks largely to technological advances. But the harsh world of the service economy intrudes once again on their contentment when a modern product suffers a breakdown. In a sense, consumers are victims of high-tech

Accountants to Zoologists

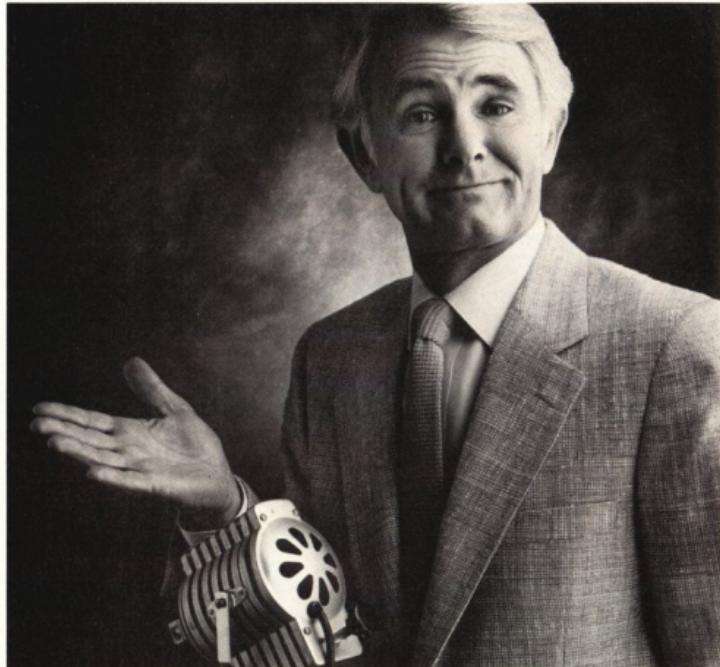
Who belongs to the swelling ranks of the U.S. service economy? Such workers are often depicted as a legion of hamburger flippers and computer programmers, but in fact they constitute a huge, diverse group whose members range from cashiers to lumberjacks. The vast majority of the U.S. labor force, more than 76 million workers, belong to the service sector; 25 million others are in goods-producing jobs, and 3 million are in agriculture. The Labor Department defines the goods-producing sector as manufacturing, mining and construction, but the rapidly growing service-producing sector tends to be much broader, encompassing many new types of jobs that do not seem to fit into any other category.

Simply put, the service economy is the sector that runs on trade and information. Of the nearly \$2.3 trillion in private services generated in 1985, 27% came from finance, insurance and real estate. Retail business accounted for 16%, wholesale trade for 12%, transportation and utilities for 12%, and communications for 5%.

Service jobs come in every imaginable description, from powerful (President of the U.S.) to humble (janitors), noisy (auctioneers) to quiet (librarians), outdoorsy (hunters and trappers) to indoorsy (accountants and pharmacists). Among the largest job classifications are professionals (13.8 million), executives and managers (12.2 million), sales workers (12.7 million) and secretaries (4 million). In more specific categories, the Labor Department counts 131,000 dentists, 102,000 economists, 84,000 professional athletes, 124,000 messengers, 324,000 bartenders and 126,000 news vendors. The country employs eight times as many hairdressers and cosmetologists (707,000) as it does barbers (91,000).

While the service economy offers a far brighter employment picture than manufacturing, many of its jobs are relatively low paying. An estimated \$56,000 new cashier jobs will open up between 1984 and 1995, but the average weekly earnings for such workers at the beginning of that period was only \$195. Some 452,000 registered nurses will be hired in that span; their weekly earnings averaged just \$415. The service sector also includes such highly paid groups as lawyers and psychiatrists, some of whom can easily generate as many complaints as a surly salesclerk.

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Prepared by Kenneth C. Smith & Associates Advertising, La Jolla, CA.

quickly learned to visit a service-minded store for a free lesson about a particular product, then go down the street to a discount house to buy the item for 25% less. The headaches often come later, because discounters tend to offer very little follow-up service. Says Butch Weaver, a second-generation appliance repairman and president of a Maytag store in Gaithersburg, Md.: "A lot of this the public has done to themselves. If they're going to go for these cut-rate prices, something's got to give, so it's usually service."

Businessmen point out, of course, that self-service has spawned great conveniences, ranging from simpler telephone-connecting jacks to coin-operated car washes and even videocassette vending machines. Many storekeepers say that self-service often enables customers to meet their needs faster than would be possible if they relied on clerks. At Child World, a chain with 134 stores, the company last fall arranged toys in "learning centers," where customers can examine and play with the products. Says President Gilbert Wachsmann: "The shoppers are out more quickly. It reduces our expenses, and we pass the savings on to the customers." Faya, a discount shoe chain where consumers select their choices from the rack, has grown to 650 stores in 15 years.

AKroger grocery store in Morrow, Ga., has taken the self-service concept to an extreme. Customers check out their own merchandise by scanning the price codes with electronic readers. Human clerks collect the payment, and computerized sensors monitor the flow of merchandise to check for any fraudulent item switching.

But while consumers will embrace self-service if they think they are getting a bargain, they usually demand attention if they believe it is included in the price tag. Shoppers generally put up with the scarcity of sales help in low-end stores but quickly grow impatient when the trouble arises at mid-price and prestige retailers. Says John D.C. Little, a professor at M.I.T.'s Sloan School of Management: "Stores will have problems if they pretend to be up-market but aren't." He chides pricey department stores like Bloomingdale's for sometimes providing less service than their upscale image leads customers to expect.

While inflation taught consumers to be more price conscious, it was deregulation that forced banks, airlines and other industries to streamline their services so they could survive the new competition. Many banks, locked in an expensive battle to offer the highest interest rates for savers, found they could no longer afford to provide cheap or free services to small-account holders. By raising service charges dramatically, some banks actively discourage small accounts, because the profits in serving them are slim or nonexistent. Most depositors must wait in line to see a banker, while big-account holders are whisked into private offices.

Yet just like retail stores, banks are offering a trade-off that they believe most customers will accept: more products in exchange for less personal service. Today's depositors with as little as \$500 to invest will find that banks give them more possibilities than ever before. Banks now offer an array of money-management accounts and even discount stock-brokerage service. Banks have vastly improved upon old-time bankers' hours of 9 a.m. to 3 p.m. New York's Citibank boasts that 80% of its depositors use its 24-hour automatic-teller machines and that more than half of all customers say they no longer need to venture inside the bank.

Deregulation has prompted airlines to make daring experiments with service, sometimes to harrowing ends. People Express provided an example of just how far consumers can be pushed in a trade-off

ers. At peak times popular hotels and restaurants sometimes bump customers who show up even modestly late for their reservations.

For many consumers the breakup of the Bell System in 1983 contributed to the decline of Western civilization. The split of old reliable Ma Bell into seven regional operating companies left many customers convinced that they were worse off, even though long-distance competition has brought better rates. Indeed, according to a scorecard published in November by *Communications Week*, local service and repair are now fairly inconsistent across the U.S. The trade publication gave the top grade of A-minus to Ameritech, which serves Illinois, Indiana, Ohio, Wisconsin and Michigan. The lowest grade of C-plus went to Southwestern Bell (Arkansas, Kansas, Missouri, Oklahoma and



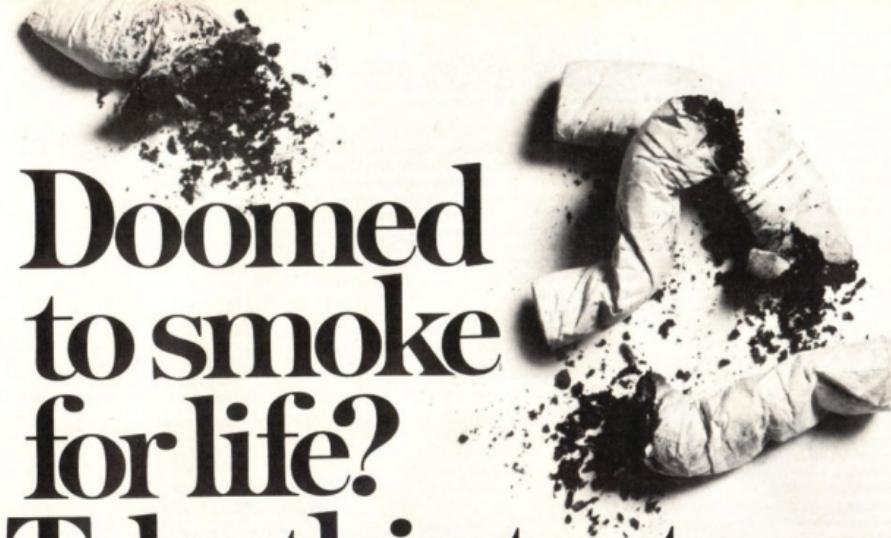
for low fares. Its aggressively no-frills service, featuring such hassles as on-board ticketing and extra fees for checked baggage, gave the airline a negative image among business flyers and probably hastened its demise. Its rival, Texas Air, which officially bought People Express last month, prevailed partly by making a point of offering low fares without reducing service below generally accepted levels. The airline-merger boom, too, has disrupted service in the airline industry, as huge airlines combine their schedules and crews. The Department of Transportation announced earlier this month that complaints about poor airline service, especially delays, increased 30% during 1986.

A prime indignity for airline customers is to be bumped, or denied a reserved seat, because the carrier has booked too many passengers on a flight. Overbooking is a product of fare wars; because airlines are collecting less per seat, they want to ensure a full load to make a profit. The practice of overbooking crops up in other businesses when managers want to make the most of a prime-time rush of custom-

(Texas) and NYNEX (New York and New England).

Consumers miss the personal touch in health care especially. Technology has brought great improvements in curative powers, but patients wish they could get more attention from their doctors rather than being seen mostly by nurses and technicians. Says Victoria Leonard, executive director of the National Women's Health Network: "We see doctors not answering questions, giving curt answers, not spending enough time with patients. Years ago a doctor was more of a family adviser. Now medicine tends to attract the person who enjoys the high-tech procedures. Almost by definition, that's not a people person."

Sensitive to the mounting criticism, the business world is starting to make amends. Says Alan Raedels, professor of business administration at Oregon's Portland State University: "If stores are competing with the same products at basically the same price, then the next major battlefield is going to be service." Claims Steve Shelton, who represents an association of Southern California gas-station



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Adapted from Eigerstrom, K-O: Tolerance, withdrawal and dependence on tobacco and smoking termination, Int Rev Appl Psychol 32:29-52, 1983.

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Economy & Business

operators: "The market is begging for attention today. Motorists seem tickled when someone is actually giving old-fashioned service and cares about the condition of their car." Quality-service gurus like John Tschohl of Bloomington, Minn., are now in heavy demand to give speeches to top managers. Says he: "We teach them the financial impact of good customer service. They're interested only in hard dollars and cents."

One company that seems to have come to this conclusion the hard way is Sears, the largest U.S. retailer. Sears managed to smudge its image in recent years by grouping its salesclerks around cash registers for fast check-out, which reduced the number of employees who were in the aisles to answer questions. Sears still helped customers in its custom-drapery departments, for example, but left buyers of prepackaged drapes to struggle for themselves. Now the company apparently believes it went too far. "We've been



looking at service in the past 18 months with heightened intensity," says Everett Buckardt, a Sears vice president. "We have put more people on the sales floor."

Other examples are multiplying. In Miami all 5,000 of the city's cab drivers are required to take a three-hour course

in courtesy called Miami Nice, which has reduced the rate of customer complaints by 80%. To do better in the highly competitive health-care industry, California's Santa Monica Hospital Medical Center put its 1,500 employees through a two-day seminar on customer service. One result: the hospital changed its emergency-room admission procedure to one in which staffers "greet and comfort" patients before bothering them with the paperwork.

Nearly all the experts agree that the way to improve America's service industry is to understand the lot of the frontline worker. At this point, too few businesses recognize that many service workers are doing a relatively new, difficult kind of work that could be called emotional labor, a term coined by Arlie Russell Hochschild, a Berkeley sociology professor, in her 1983 book, *The Managed Heart: Commercialization of Human Feeling*. Just as factory workers can become estranged from the products they manufacture, says Hochschild, service workers can feel distanced from their put-on emotions. Flight attendants, for example, often feel that their smile belongs to the company. One solution Hochschild recommends is for businesses to give employees a chance to rest and recharge their smiles by temporarily rotating to less stressful jobs.

Cosmetic approaches will not do. K mart, for one, tried to cure its employees to be more personable by putting TYSOK on their cash registers, which was supposed to remind them to thank customers for shopping K mart. But some harried clerks reportedly mocked the procedure by blurting "Tysok!" at puzzled customers. Other companies have tried to get across an impression of personal service with tired slogans to the effect that "people are our most important asset."

But American business had better deliver the real thing, because shoppers like Arlene Cantlon of Riverdale, Ill., are starting to make a scene. Cantlon lost her temper recently in a Venture Stores discount outlet because the chain was making a habit, in her opinion, of failing to have advertised goods in stock. "I asked to speak to the salesgirl in the shoe department, but nobody knew where she was. I waited 35 minutes while they looked for her. Nobody could find her, so I asked to see the store manager. At this point, I had a crowd of customers cheering me on. One woman told me, 'It won't do any good, but good for you!'" Cantlon finally got her audience with the manager, and got some of the merchandise she wanted as well. It was a notable victory, but it need not be all that rare. American consumers would be well advised to follow Arlene Cantlon's example and make noise if they really want their satisfaction guaranteed.

—By Stephen Keopf, Reported by Jay Branegan/Washington, Lawrence Malkin/Boston and Edwin M. Reingold/Los Angeles

A Homecoming Lament

When TIME Correspondent Edwin M. Reingold moved to the magazine's Los Angeles bureau last September after an eight-year assignment as Tokyo bureau chief, he was stunned by what he perceived as a sharp decline in American service during his absence from the U.S. His reflections:

To a returning American grown accustomed to the civility and efficiency of modern Japan, the U.S. seems to have become a quagmire of bureaucracy, ineptitude, mean spirit and lackadaisical. In Los Angeles, New York, Miami and other cities, the repatriate is appalled and depressed by the lack of efficiency and of simple courtesy and caring.

The deterioration of service is apparent almost immediately. When a new customer tries to open an account at the Wells Fargo Bank, an officer haughtily sniffs that it will not be possible until his signature has been verified and his banking history thoroughly checked. Then she simply turns away.

At what used to be called a service station, the attendant, who sits behind bulletproof glass, can do nothing to help a novice learn the new greasy, smelly routine of pumping his own gas. Memories flood back of the typical Tokyo station, where a horde of neat, well-mannered and expert attendants take charge of the car, fill it up, wash it and check the tires. Then they doff their hats, shout their thanks and stop traffic so the customer can drive away.

The sign in the lobby of the West Los Angeles city hall says the planning department opens at 8 a.m. On a recent morning a clerk finally shows up at 9, without apology. As the petitioner pays the application fee for home-improvement permits, the clerk says the process will take 75 to 120 days. It is 132 days and still counting.

The new homeowner receives a cordial letter inviting him to apply for a charge account at J.W. Robinson's, a department-store chain. But his application for credit is rejected with a form letter alleging an "insufficient credit file." It should have read, "We are too lazy to check further."

When a clerk at an appliance store does not know how to turn on the tape recorder he is trying to sell a customer, something seems terribly wrong. The mind flicks back to Tokyo again, to the electronics center called Akihabara, where every clerk is knowledgeable and unfailingly polite, eager to make a sale. In Japan some manufacturers even make house calls if a product breaks down.

Nowhere is the malaise of American service more obvious than in the airline business. Cabin attendants often stand by unconcerned, aloof and bored, while old folks and children struggle with their bags. Untended airplane toilets reek. Every flight seems to be late and/or overcrowded.

To an American old enough to remember American competence, work well done and pride in fine service swiftly rendered, it is jarring to realize how much Americans have forgotten, and how quickly.

Economy & Business

Where the Customer Is Still King

A gallery of U.S. companies that prosper by aiming to please



Amid growing anger over the decline of American service, many U.S. companies defy the trend and flourish handsomely because of the care they lavish on customers. A sampling:

Nordstrom. In the low-margin, highly competitive world of department-store sales, Seattle-based Nordstrom has turned exacting standards of customer service into a billion-dollar annual business. The rapidly expanding chain, which has 45 stores in California, Washington, Oregon, Alaska, Montana and

Throughout the chain, the sales help strictly follow a dictum laid down by the company's president, James Nordstrom, 46: replace anything on demand, no matter how expensive, no questions asked. Although the policy is sometimes abused by shoppers (who may, for example, order a \$500 dress, wear it once to a party, and then return it), it works well for Nordstrom. Says Skidmore: "I couldn't believe how nice they were being. I bought another pair of shoes on the spot."

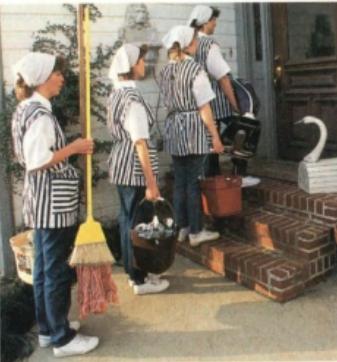
Nordstrom was founded in Seattle in 1901 as a retail shoe store by a Swedish prospector, John Nordstrom, who had struck it rich in the Klondike. Now a pub-

At his carpeted, chandelier-bedizened supermarkets, Byerly offers 24-hour, seven-days-a-week grocery shopping, complete with full-service meat and fish departments. The outlets are attractive, but the difference is, as he puts it, "the way they're run." Each store is managed semi-independently by a single boss, who tailors the contents to neighborhood needs with little overseeing from top management. Company-wide, Byerly's has 2,100 employees, but only five work in what the proprietor jokingly calls "world headquarters" in the Minneapolis suburb of Edina.

Byerly's places special emphasis on helpfulness. Each store employs a full-time home economist, who can work with customers on everything from menu planning to getting bubble gum out of household carpets to figuring how much food to buy for a party of 300. The home-econ ex-



A pianist entertains at a Los Angeles Nordstrom store



A Mini Maid team reports for duty at an Atlanta home



An attendant helps at Byerly's

Utah, has drilled its staff incessantly with the venerable dogma that the customer is always right. Result: the chain's sales, 73% derived from women's retailing, passed the \$1 billion mark for the first time in 1985 and reached an estimated \$1.6 billion for 1986. Sales per square foot of space, a basic retail performance yardstick, is about double the average for the industry.

A major ingredient in Nordstrom's success is the quality of the salesclerks. They are paid about 20% better than those of competitors, and they are well trained and encouraged to do almost anything within reason to satisfy customers. In Seattle, a store salesclerk personally ironed a customer's newly bought shirt so that it would look fresher for an upcoming meeting. Thomas Skidmore, vice president of a Los Angeles-area real estate brokerage, tells of bringing back a squeaky pair of year-old shoes to a local Nordstrom outlet, hoping merely for repairs. Instead, he got a new pair of shoes free.

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Byerly's. In the 19 years since Don Byerly, now 47, opened his first store in the Minneapolis suburb of Golden Valley, he has almost never publicly advertised a product or price. "We spend the advertising money on service," he explains. The payoff has been impressive. There are seven Byerly's outlets in the Minneapolis area, and an eighth is under construction. Sales for the chain reached \$135 million last year, and are expected to climb to \$150 million in 1987. Byerly analyzes his success this way: "The only reason people will come back to our store is because of what happened to them the last time they were here."

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guests for a look-see at her Byerly's. Why? Because, she says, "it's like a tourist attraction."

Mini Maid Services. In 1973 Homemaker Leone Ackerly, mother of three, wanted to buy a new auto. To earn the money, she hired herself out as a cleaning lady. She has since, as they say, cleaned up. Now 41, Ackerly drives a Jaguar XJ6 and oversees a maid-service empire, based in Marietta, Ga., with 900 employees at 96 franchises in 24 states. Annual revenues: more than \$9 million. Mini Maid is about to launch franchises in Germany, Italy and Australia. The secret of Ackerly's success? Says she: "We do one thing one way for one price."

Inspired by the meticulous regimen of fast-food outlets like McDonald's, Ackerly's Mini Maid operation offers a menu of 22 basic daily cleaning chores that its four-member crews will perform in an average time of 55 minutes for a fee

Amica Mutual Insurance. Among the behemoths of the insurance business, Amica Mutual figures far down the list. The Providence-based company, which specializes in property and casualty coverage on such items as homes, autos and boats, earned \$13 million last year on revenues of only \$400 million. Nonetheless, the 80-year-old Amica has earned a top grade from the monthly *Consumer Reports* and an A-plus billing from the A.M. Best insurance-company rating service. With a modest crop of 400,000 customers and only 39 branch offices across the country, Amica has consciously avoided increasing its size to match its reputation. Says Amica Vice President Charles E. Horne: "We address a very small segment of the market, and we try to do it well. We simply seek not to be the biggest but to be the best."

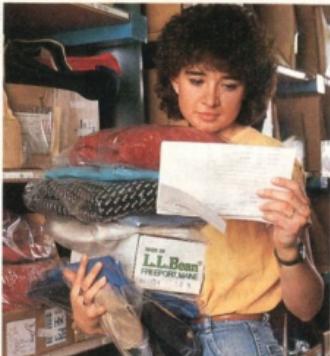
Amica has not strayed into commercial lines of insurance, choosing to remain focused on individual-customer care. The

outdoors descend on the Yankee seaside town. Their aim: to visit the one and only L.L. Bean company store, which is open around the clock and features 6,000 items, ranging from moccasins to sleeping bags to camel-hair cardigans. However, many more Americans know the company through the 75 million L.L. Bean catalogs that are mailed out annually. Celebrating its 75th anniversary this year, the company, founded to market a superior hunting boot, has become a \$362 million business that sells its merchandise 24 hours a day by telephone and employs 1,850 workers full time, with an additional 1,800 on duty during the peak fall-to-Christmas season.

Mail order forms the bulk of Bean's business: last year \$308 million of the company's sales came from catalog orders. The firm's reputation for homey efficiency comes from its ability to deliver virtually any item almost anywhere in the U.S. and Canada within 72 hours. During



In Minneapolis' St. Louis Park



A worker at L.L. Bean's distribution center fills an order



An Amica appraiser examines damage to a client's car

of \$39.50 to \$49.50. The duties of the blue-and-white-clad cleaning squads—primarily young mothers and homemakers—range from washing kitchen floors to scouring porcelain to bed making. Says Ackerly: "We arrive with a smile, we have knowledge, we deliver what is asked of us, and we call back new clients the next day to see what could be done better."

Following the McDonald's formula, Ackerly eventually distilled her knowledge of "team cleaning" into a 300-page manual of dos and don'ts. The book serves as the basis for training new Mini Maid personnel. Among its teachings: pick up statuary in the middle, rather than at the top and bottom, and clean animal-skin rugs with a whisk broom rather than a vacuum cleaner. Sums up Ackerly: "The homeowner does not have to feed us, pick us up, give directions. We don't give a song and dance about our car breaking down as a reason for not showing up. We are successful because we have learned the hard way."

firm never advertises and relies onerrals for most of its customers. It employs no independent agents and hires its own adjusters and underwriters. The company's unusually high ratio of 1 employee for each 140 clients allows it to meet high performance standards, like routinely answering all customer mail within a day of receipt. Amica tries to respond to claims in the same speedy manner. The company's adjusters have been known to take extraordinary pains to assist clients in distress. After Hurricane Gloria hit the New England coast in 1985, one Amica homeowner policyholder was unable to get any government agency to remove a ten-ton tree that had fallen onto her house. When she called Amica for help, an adjuster came out and made arrangements the same day for a construction company to cart the tree away.

L.L. Bean. Freeport, Me. (pop. 6,700), is an unlikely Mecca. Yet every year 2.5 million American worshipers of sensible, frugal and unpretentious products for the

peak season, more than 28,000 telephone orders a day flood the Bean switchboards. Computers help keep track of the models, colors and sizes that are in stock at any given moment, and orders are filled accurately 99.8% of the time. The company provides repairs as well as sales. Each year, for example, it resoles some 17,000 pairs of its famed Maine hunting boots for \$24, about half the cost of a new pair.

Bean employees receive 40 hours of training before they deal with their first customer. Much of the instructional emphasis is on care and thoroughness in filling orders and on general courtesy and helpfulness. People around the U.S. call the company for advice on what accessories to provide for children on their way to camp, what to take on a first trip to Alaska and what to wear while cross-country skiing. If a Bean staffer cannot answer the question, the customer will be switched to someone who can.

—By George Russell.

Reported by Meg Grant/Seattle and William Szonski/Boston

That Crazy Stock Market

As the economy weakens, Wall Street has its wildest swing ever

Hair-raising, unpredictable, frighteningly volatile—just about every scary term imaginable was being used last week to describe the outlandish behavior of the stock market. Friday was the day to beat all days, the wildest and woolliest in the market's history. First the Dow Jones average of 30 industrial stocks zoomed up 64 points in the space of five hours of trading, to a high of 2210. Then, just as suddenly, the Dow nose-dived, swinging down an amazing 115 points in 71 minutes. At times there literally were no buyers on the

but also revealed that the economy was growing at a much slower rate—1.7% in the fourth quarter of 1986—than the Reagan Administration had expected.

The statistical trends hardly explained Wall Street's loony rise and fall. The main cause of the fierce roller-coaster ride was the volume of buy and sell orders triggered by computer-driven trading programs at major investment houses. When market prices reach prescribed levels, the so-called program traders can blitz the market in seconds with orders



Pandemonium on the floor: traders call in orders during the final hour of Friday's manic session

trading floor of the New York Stock Exchange, just as earlier in the day there were sometimes no sellers. Said Michael Antolini, a trader with Cantor Fitzgerald Securities: "Everyone went nuts. It was sheer insanity."

By the time the trading frenzy was over, the Dow had dropped 44.15 points, closing at 2101.52, still up 24.88 points for the week. It was only the second time since the new year began that the index had fallen by the end of a day's trading. In the process, the highly computerized N.Y.S.E. smashed yet another record by trading a phenomenal 302 million shares, bettering the mark of 253 million shares set on Jan. 15. Complicating things even further for record keepers, Friday's spectacular Dow reversal came only 24 hours after the index had registered its biggest single-day rise ever, 51.60 points.

To many analysts, it seemed that the previously irrepressible stock market was finally beginning to reflect the same economic uncertainty that last week kept the U.S. dollar bobbing against the Japanese yen and the West German mark. The latest official statistics presented at best a mixed picture of the health of American business. They put inflation last year at 1.1%, the lowest rate in a quarter-century,

representing many thousands of shares of a broad spectrum of stocks. On Friday morning those orders seemed merely to be building on the previous day's historic 51-point climb. The driving force behind that record-breaking market rush, says Richard McCabe, a vice president of the Merrill Lynch investment firm, was "big

institutional investors. They do not want to miss another advance."

Acrophobia set in at about 1:45 p.m., when sell orders began flitting through the exchange's super-DOT computer circuits in bunches of 1,000 to 2,000 shares each. Among the hardest-hit blue-chip stocks were 3M, which fell 7 1/4, to 126 1/4; Du Pont, which dropped 4, to 95; and Philip Morris, down 1 1/2, to 81. Some traders attributed the rout to the news of a statement by Federal Reserve Chairman Paul Volcker that a legislative stalemate on banking deregulation could endanger the U.S. banking system.

On international currency markets, the action was only a shade less hectic. For the first time ever, the U.S. dollar slid below the landmark price of 150 yen to the dollar in Tokyo before rebounding to 153.25 yen at week's end, marginally higher than a week earlier. In Bonn, the dollar hit a 6 1/2-year low of 1.81 deutsche marks before microscopically edging back to close at 1.815, a 1.8% decline from the previous week.

West Germany's central bank responded to the turbulence with a cut in the discount rate, from 3.5% to 3%. The largely symbolic gesture was intended to mollify U.S. Treasury Secretary James Baker and other American officials who have called for West Germany to expand its economy as a way to sop up more U.S. imports and, along with them, some of the red ink in the \$170 billion U.S. foreign trade deficit. Japan was said to be ready to make a similar move, but before that, Japanese Finance Minister Kiichi Miyazawa suddenly flew to Washington for a private 2 1/2-hour chat with Baker. The only visible result of their efforts was a four-paragraph communiqué that affirmed the two countries' "willingness" to cooperate on exchange-rate issues. Translation: the U.S. would not explicitly commit itself to propping up the drooping dollar. One reason: the currency's decline makes imports more expensive and thus can help reduce the trade deficit.

The tide of imports has badly hurt domestic production. Along with its fourth-quarter figure, the Commerce Department announced last week that growth in the gross national product was a sluggish 2.5% in 1986, the lowest rate since the 1981-82 recession. The slump in the dollar's value, though, could prove to be less than a cure for that malaise. As the dollar falls and import prices rise, U.S. inflation could be rekindled. That in turn could lead to an increase in U.S. interest rates, which would hardly stimulate the economy and might blight the stock market's further advance. As if to underline that possibility, Volcker warned that it was "not sensible" to expect the dollar's plunge alone to cure the U.S. trade problem. After weeks of Wall Street euphoria in which the dollar's fall hardly seemed to matter, it appeared that even the stock-market bulls might be getting a case of the jitters.

—By George Russell.

Reported by Jay Branegan/Washington and Frederick Ungerheuer/New York



Miyazawa and Baker at the Treasury Building
The dollar's drop may not revive growth.

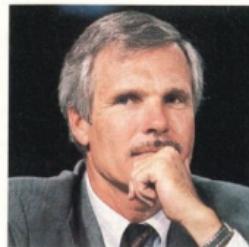
Business Notes



The union's Williams and McGeehan celebrate



The proposed McDonnell Douglas satellite launcher



Turner defused a risky situation

LABOR

The Fighters Call It Quits

Like two punch-drunk prize-fighters who decided that enough was enough, USX and the United Steelworkers reached a tentative settlement last week of the longest steel strike in U.S. history. Steelworkers President Lynn Williams and the union's chief negotiator Jim McGeehan were all smiles as they prepared to put the agreement to a vote of the membership, but the truth was that both sides lost. The 170-day strike forced USX, formerly known as U.S. Steel, to lose \$500 million in orders. Meanwhile, 22,000 union workers forfeited six months of pay. The agreement does not solve the industry's problem of producing steel at too high a cost. USX won a paltry wage reduction worth \$92 million a year. Even with the cut, workers get \$22.90 an hour, vs. \$3 to \$5 for South Korean competitors. As a result, the U.S. industry may continue to rust.

ROCKETS

Boost for a Space Racer

Since President Reagan closed the space-shuttle program to most commercial cargo last summer, several U.S. aerospace firms have taken aim at

the satellite-launching business. Last week McDonnell Douglas got a big boost in that race by snaring a \$734 million Air Force contract for a fleet of up to 20 rockets to lift military satellites into orbit.

The contract means that the firm will not have to spend its own money to develop a rocket that can compete with Western Europe's Ariane program, which has a virtual monopoly on private satellite launches. McDonnell Douglas will also be able to go nose-to-nose with Martin Marietta, the maker of Titan-class rockets, which has signed an agreement to send up a Federal Express satellite in 1989.

DEALS

Hanging In There—Barely

Ted Turner has used his share of Perils-of-Pauline financial maneuvers in building Turner Broadcasting System, the parent firm of Cable News Network and superstation WTBS. But the brash entrepreneur put a time bomb under his company when he bought MGM/UA Entertainment last March for \$1.5 billion. As part of the purchase agreement for the film and TV production firm, Turner issued 53.3 million shares of preferred stock in Turner Broadcasting. A provision of the deal was that starting this June, he would have to pay dividends on those shares

in the form of common stock in his firm. He faced the nightmarish possibility that he would eventually have to give away so much common stock that he would lose control of Turner Broadcasting.

Last week Turner put out the fuse by selling 35% of his company to a group of 14 cable-TV operators and financier Kirk Kerkorian for \$550 million. Turner will use the money to buy back those troublesome preferred shares. Kerkorian, the former owner of 50.1% of MGM/UA, and the cable operators will gain five seats on Turner Broadcasting's eleven-member board of directors. Managing a narrow escape, Turner was able to hold on to slightly more than 50% of the company that he built from scratch.

FINANCE

A Tale of Two Cities

Although securities trading has become an increasingly global activity in recent years, overseas time differences have helped prevent U.S. financial exchanges from capturing the volume of business from abroad that they would like. When the Chicago Board of Trade closes at 3:15 p.m., for example, it is 6:15 a.m. in Tokyo, and most Japanese investors are still in bed. To close the time gap, the board's directors last week approved a new

proposal to establish evening trading hours. Under the plan, futures and options on U.S. Treasury bonds and notes could be traded between 5 p.m. and 8 p.m. (8 a.m. to 11 a.m. in Tokyo) Monday through Thursday and for an additional hour during the months when daylight saving time is in effect.

CREDIT CARDS

Robin Hood To the Rescue

When Jerry Cosentino talks, Illinois banks listen. The state's new treasurer is determined to force banks to reduce their interest rates for credit cards. Charging close to 20%, he says, is nothing more than "legal loan-sharking." Last week, after the First National Bank of Chicago refused to lower its 19.8% credit-card interest rate, Cosentino indignantly yanked \$220 million in state deposits out of accounts at the bank. Said he: "Illinois taxpayers will not help fund this gouging of consumers any longer."

According to Cosentino, the Marine Bank of Springfield, Ill., lowered its rate from 19% to 13% last week rather than face the same fate. Three other banks quickly followed suit. Since more than \$2 billion in state funds is still deposited at institutions around Illinois, Cosentino has a lot of leverage left.

Law

Considering the Alternatives

Crowded prisons spark less confining punishments

Jim Guerra sells cars today in Dallas. He used to sell cocaine in Miami. In 1984, after being robbed and even kidnaped by competitors, he decided it was time for a career change. He gave up drugs—and the drug trade—and headed out to Texas for a new law-abiding life. The old life caught up with him anyway. In December 1985 federal agents arrested him on charges connected to his Florida

Even as crime rates generally declined during the first half of the 1980s, inmate numbers tracked wild ballistics of their own, increasing by nearly 60%. The nation's prison population now stands at a record 529,000, a total that grows by 1,000 each week; new cells are not being built in matching numbers. While virtually everyone convicted is a candidate for prison, many experts believe perhaps half the in-

day. The despairing Texas solution has been to close its prison doors briefly whenever it reaches the court-mandated limit. At least Guerra did not go scot-free.

So "alternatives" to incarceration, which once inspired social workers and prison reformers, have become the new best hope of many beleaguered judges—and jailers too. In courts across the nation, people convicted of nonviolent crimes, from drunken driving and mail fraud to car theft and burglary, are being told in effect to go to their rooms. Judges are sentencing them to confinement at home or in dormitory halfway houses, with permission to go to and from work but often no more—not even a stop on the way home for milk. The sentences may also include stiff fines, community service and a brief, bracing taste of prison.

Some supporters of alternative schemes look to the day when prison cells will be reserved exclusively for career criminals and the violent, with extramural penalties held out for the wayward of every other variety. "We're all against crime," says Herbert Hoelter, director of the National Center on Institutions and Alternatives, a nonprofit group that designed Guerra's package of penalties and persuaded the judge in his case to accept them. "But we need to convince people that there are other ways to get justice."



Instead of prison, Guerra was fined and sentenced to help a group that entertains the critically ill
The work may be admirable, but is a stint of public service the just deserts of crime?

coke dealing. After pleading guilty last spring, Guerra faced 15 years in prison.

He never went. These days Guerra, 32, is putting in time instead of doing it, by logging 400 hours over 2½ years as a fund raiser and volunteer for Arts for People, a nonprofit group that provides artists and entertainers for the critically ill at Dallas-area hospitals and institutions. His sentence, which also includes a \$15,000 fine, means that a prison system full to bursting need not make room for one more. He sees a benefit to the community too. "I just love the job," he says. "I'll probably continue it after the sentence is up."

The work may be admirable, but is a stint of public service the just deserts of crime? Many people would say no, but they may not be the same ones who must contend with the bedlam of American prisons. In recent years, a get-tough trend toward longer sentences and more of them has had a predictable consequence.

mate population need not be incarcerated at all.

The dismal result is evident almost everywhere. Throughout the country, convicts have been crammed into existing facilities until their numbers have pressed against the outer limits of constitutional tolerance. Currently in 38 states the courts have stepped in to insist on, at the least, more acceptable levels of overcrowding. In Guerra's new home state of Texas, a federal judge earlier this month gave officials until March 31 to improve inmates' living conditions or risk fines of up to \$800,000 a

Anyway, who can afford to keep all offenders behind bars? Depending on the prison, it can cost from \$7,000 to more than \$30,000 to keep a criminal in a cell for a year. Most alternative programs, their backers argue, allow lawbreakers to live at home, saving tax dollars while keeping families intact and off welfare. Since the detainees can get or keep jobs, part of their salaries can be paid out as fines or as compensation to victims. And alternatives give judges a sentencing option halfway between locking up offenders and turning them loose.

It remains to be seen, however, whether the new programs will have much appeal for a crime-wary public and law-enforcement establishment. That prison time can be harrowing is to some minds its first merit. The living-room sofa is by comparison a painless instrument of remorse. "Until the alternatives are seen by the public as tough, there won't be support for them," says Thomas Reppetto of the Citizens' Crime Commission in New York City. The problem is even plainer when the offenders are well heeled. Will justice be served if crooked stock traders are confined to their penthouses?

Most such misgivings will remain unsettled while officials try out the range of possibilities before them. In September, suburban Nassau County, near New York City, began testing one of the most talked about new approaches, electronic house arrest. Probationers selected for the program are required to be housebound when not at



Auto-biography: drunk-driver bumper sticker

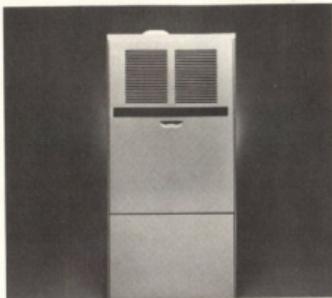
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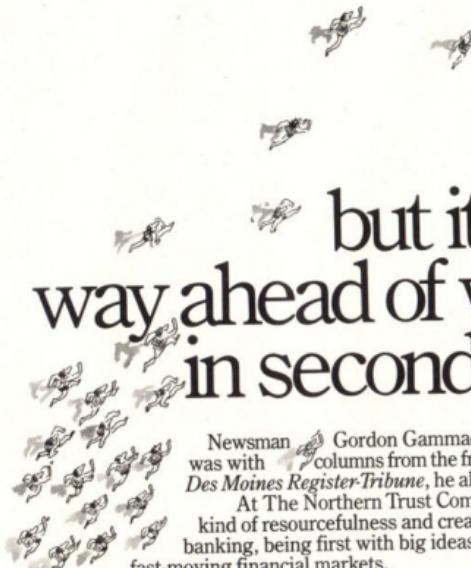
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work. To make sure they comply, each wears a kind of futuristic ball and chain: a 4-oz. radio transmitter that is attached to the ankle with tamperproof plastic straps. The device broadcasts a signal to a receiver hooked up to the wearer's home phone, which in turn relays it to a computer at the probation department. If the wearer strays more than 100 ft., the computer spits out a note for the probation officer.

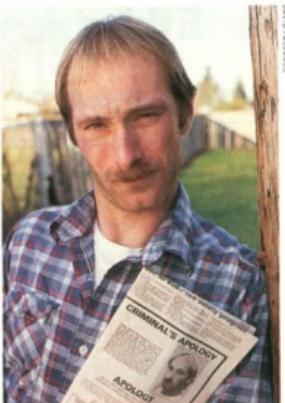
"They can't leave home without us," quips Donald Richberg, coordinator of the program. Following an initial outlay of \$100,000, the project has cost the county only about \$10 a day per probationer. The anklets have been tried in at least eight states since New Mexico introduced electronic monitoring in 1983. The cost accounting looks favorable, but technical gremlins have been showing up too, resulting in reports of false disappearances or failures to report real ones.

Until the high-tech methods are perfected, more conventional alternatives remain the most popular. About 30 states have funded "intensive probation supervision," in which participants are typically required to work, keep a curfew, pay victims restitution and, if necessary, receive alcohol or drug counseling. Instead of the usual caseload—the nationwide average is 150—probation officer in such experiments oversees just 25 people. Even with the added staff expense, the programs still cost less than incarceration.

The experience of Ron Rusich, 29, a house painter in Mobile, was typical. In 1984 he received a 15-year sentence for burglary. But an intensive probation scheme used in his state since 1982 eventually sent him back outside, and back to work, under strict supervision. A 10 p.m.-to-6 a.m. curfew was enforced during the first three months after release by at least one surprise visit each week from the corrections officer. There were three other weekly meetings, with restrictions eased as his time in the program increased. Living at home, as he was required to do for 2½ years, Rusich cost the state \$8.72 a day, less than a third the expense of keeping him in prison. The experience was a "lifesaver," says Rusich, who is now on parole.

Alabama and a number of other states also have a similar but more restrictive option: the work-release center, a sort of halfway house where offenders must live out their sentences. The system allows them to work, often at jobs found by the local government, but maintains more of the trappings of confinement, such as dormitory life and security checks. In Indiana, where there are ten such centers, offenders do prison time first, with the hope of work release as a carrot for good behavior. That method lets the state consider, through observation and psychological testing, which inmates are likely to succeed in the program. "We want to see how they'll perform," says Vaughn Overstreet of the department of corrections.

A few localities have resorted to the most low-tech deterrent of all: shame. Sarasota County, Fla., is trying the "scarlet let-



Lawbreaker Smith advertised his regret

ter" approach, by requiring motorists convicted of drunk driving to paste bumper stickers on their cars announcing the fact. In Lincoln County, Ore., a few felons have even been given a choice between prison and publishing written apologies, accompanied by their photographs, in local newspapers. Roger Smith, 29, paid \$294.12 to announce his contrition in two papers after a guilty plea growing out of a theft charge. A published apology "takes the anonymity out of crime," insists Ulys Stapleton, Lincoln County district attorney. "People can't blind back into the woodwork."

Do alternatives work? That depends on what they are asked to accomplish. If the goal is cost efficiency, the answer is a qualified yes. They often seem cheap enough, but there are concerns that they may actually add to the bill for corrections because judges will use them as a halfway measure to keep a rein on people who would otherwise go free in plea bargains. James K. Stewart, director of a Jus-



A high-tech manacle for house arrest

They hope he can't leave home without it.

tice Department research institute, contends that the cost to society of crimes committed by those not imprisoned must be factored in as well. For certain offenders, Stewart concludes, "prison can be a real, real cheap alternative."

If the goal is a society with fewer criminals, then firm judgments are even harder to draw. Criminology is a dispiriting science. Its practitioners commonly caution that no criminal sanction, no matter how strict, no matter how lenient, seems to have much impact on the crime rate. But prison does at least keep criminals off the street. Home confinement cannot guarantee that security. Some data, tentative and incomplete, do suggest, however, that felons placed on intensive probation are less likely to commit crimes again than those placed on traditional probation or sent to prison. Joan Petersilia, a Rand Corp. researcher, says the recidivism rate of such offenders is impressively low, "usually less than 20%." And many keep their jobs, she adds. "That's the real glimmer of hope—that in the long run these people will become functioning members of the community."

The benefits of alternatives will remain mostly theoretical unless more judges can be persuaded to use them. That may require changes in some mechanisms of government. For instance, fines are a crucial part of many alternative sentencing packages. But they frequently go unpaid. Courts and prosecutors are not good at collecting them, says Michael Tonry of the nonprofit Castine Research Corp., which specializes in law-enforcement issues. He proposes that banks and credit companies be deputized to fetch delinquent fines, with a percentage of the take as their payment. "To make fines work as a sentencing alternative," he says, "they must be both equitable, based on a person's ability to pay, and collectible."

One essential for getting courts to consider alternative sentencing, says University of Chicago Law Professor Norval Morris, is to develop a publicly understood "exchange rate" between prison time and other forms of punishment, a table of penalties that judges can use for guidance on how to sentence offenders. "We should be able to say that for this crime by this criminal, either x months in prison, or a \$50,000 fine plus home detention for a year plus x number of hours of community service," Morris contends.

A similar table is already in use in Minnesota, where alternative sentencing has become well established since the 1978 passage of a law that limits new sentences to ensure that prison capacity is not exceeded by the total number of inmates. The crime rate has not increased, supporters boast. Other states remain far more hesitant. Still, the present pressures may yet bring a day when the correctional possibilities will be so varied and so widely used that prison will seem the "alternative" form of punishment. —By Richard Lacayo.

Reported by Anne Constable/Washington and Don Winbush/mobile

Ethics

Fateful Decisions on Treating AIDS

New drugs and future vaccines confront doctors with tough choices

You're the doctor, and the patient is dying from AIDS. A new drug called azidothymidine (AZT) might temporarily suppress the virus and prolong his life. But you hesitate: AZT may do nothing for his manifestation of the disease. It could even hasten death. And prescribing the drug could bring malpractice suits, since AZT has so far worked only on AIDS sufferers with symptoms different from this patient's.

North Carolina firm that developed the drug, to call off the trial and immediately begin giving AZT to all the test patients. Many doctors hailed the decision, including Charles Schable, chief of the AIDS Diagnostic Laboratory at the Centers for Disease Control in Atlanta. "I don't see how you can have a placebo group," he said, "because if you're pretty sure it's going to work, why should you not give it to people?"



Do you let him go? Or do you risk everything on the chance of helping him?

These questions took on new urgency last week when the Anti-Infective Drugs Advisory Committee of the Food and Drug Administration recommended by a 10-1 vote that the FDA approve AZT as the first commercially available treatment for AIDS. The news generated heavy demand from America's 13,000 AIDS victims. For among potential AIDS drugs being tested, only AZT seems to prolong life, specifically for people with *Pneumocystis carinii* pneumonia (PCP). The prospect of public release intensified ethical concerns surrounding not only drugs for AIDS treatment but also vaccines to prevent it.

Indeed, an ethical concern prompted researchers last year to cut short clinical experiments on PCP patients. In six months only one of 145 AIDS patients given AZT died; many of the others grew stronger and regained some sense of well-being. (Since then, eight more have died.) In a like-size control group given only medically inactive substances, or placebos, 16 perished. These dramatic results prompted Burroughs Wellcome, the

But halting the test robbed researchers of the chance to judge, under controlled conditions, any long-range effects of AZT, which might be as dangerous as the untreated disease. In fact, some people taking AZT have developed anemia and suffered bone-marrow degeneration. "AZT may be a genie that we are letting out of the bottle," says Dr. Itzhak Brook, chairman of the FDA advisory committee and the only dissenter in the vote. Dr. Maxime Selingmann, a French immunologist who has experimented with AZT at the Hôpital St.-Louis in Paris, agrees: "There simply isn't enough knowledge about the benefits of the drug compared to the toxic effects and long-term risks."

Another troubling consequence of releasing the drug is its likely restriction to AIDS patients who have had PCP (about 60% of all victims). Without further tests, doctors cannot tell what the effects will be on those with other variations of the disease. Says Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases: "There is an ethical dilemma of doctors using AZT beyond the categories where the

drug has been proven safe and effective."

Even more distressing is the certainty that AZT will be in short supply, at least for a while. Arthur Caplan, a medical ethicist at the Hastings Center at Hastings-on-Hudson, N.Y., calls the shortage a "classic triage" situation. "Who do you give it to?" he says. "You're not going to throw the drug away on someone who is so desperately ill that he will die anyway." He is also inclined to withhold it from drug abusers, who, along with homosexuals, are the principal AIDS sufferers and might waste the treatment by re-infecting themselves. Nor does he feel anyone but medical professionals should decide. "Desperately ill patients are not in a position to make that choice," he says.

Richard Dunne, executive director of the Gay Men's Health Crisis in Manhattan, takes issue with Caplan. "I don't think researchers understand at a feeling level the predicament of a dying person who hears of something promising," he says. "Human beings have a right to make their own choices."

Doctors and researchers are also struggling with the ethics of testing potential AIDS vaccines now under development in the U.S. and France. The problem: vaccines for any disease must eventually be tested on healthy humans. What if volunteers accept the vaccine, then risk exposure and come down with the disease? That would prove the vaccine ineffective but, in the case of AIDS, could prove fatal. Says Dr. Michael Cairns of the Duke Medical Center in Durham, N.C.: "You can't arbitrarily expose a group of people to a virus to see if the vaccine is protective." Moreover, the behavior of the AIDS virus is so complex and unpredictable that a vaccine based on a derivative of the virus could itself be dangerous.

Last year, nonetheless, a French team under Dr. Daniel Zagury apparently tried, without prior tests on animals, a vaccine on African prostitutes. Many of his colleagues were fearful that he might be experimenting with Third World subjects who had little understanding of the risks involved. Zagury retorted that his critics have "no competence" to judge his methods, but so far has not released or published his results.

As physicians ponder the issues raised by AIDS drug and vaccine testing, Dr. Jean Bernard, 79, chairman on medical ethics of France's Consultative Committee for Life Sciences and Health, urges them to take the long view. He reminds colleagues of the tremendous pressures 30 years ago to cut corners to get a polio vaccine. But, he notes, thousands of lives were saved when researchers took the time to get it right. "The point is," he sums up, "that you have to avoid passion. You must follow normal procedures."

—By Ezra Bowen. Reported by B.J. Phillips/Paris, with other bureaus

Health & Fitness

Ads That Shatter an Old Taboo

Fear over AIDS puts condom commercials on TV

AIDS, the terrifying disease. Condoms, the most widely available safeguard against the spread of the sexually transmitted illness. Those combined facts have shattered the long-held taboo against advertising such prophylactics on broadcast television. While some cable systems have carried condom commercials, ABC, CBS and NBC have steadfastly refused, contending that the ads would offend some communities. No local station would broadcast them either—until now. First, San Francisco's KRON-TV, an NBC affiliate, announced it would end its ban, and plans to start airing three 15-second spots for Trojan condoms in February. "Someone had to break the ice," said Station General Manager James Smith. Cracking the ice some more, WXYZ, the ABC affiliate in Detroit, followed KRON's lead, and will broadcast a 30-second ad for LifeStyles condoms this week. Ansell International, maker of LifeStyles, says the same spot will soon appear on another ABC affiliate, WRTV in Indianapolis.

The stations have established restrictions. The commercials will not be shown during children's programming hours; condoms cannot be promoted as a birth-control device (as they have been on cable); and the ads must be in good taste. Tastes vary. The LifeStyles ad that will air on the Midwest stations, for example, is quite direct. "Because of



Fade-out from a 15-second spot for Trojans

AIDS, I'm afraid," states a young woman. "AIDS isn't just a gay disease. It's everybody's disease. And everybody who gets it dies. The Surgeon General says proper use of condoms can reduce your risk . . . I'll do a lot for love. But I'm not ready to die for it." In contrast, the Trojan commercials accepted by KRON are so muted as to be cryptic. "I'm 24, single and worried," says the clean-cut young man in one ad. "I'm a nice guy. I go out with nice girls. These days, some pretty terrible things are happening to some really nice people." Only one of the Trojan spots uses the word condom, and none mention AIDS. (A unique KRON stricture: during a six-month trial, any prophylactics advertiser must match the money it spends for airtime with a

donation to AIDS research; KRON will donate its revenues from the ads.)

The print media have been led by the AIDS epidemic to ease their codes. Among those reversing their policies: *Gentleman's Quarterly*, the New York Times, *Newsweek*, Time Inc.-owned magazines, *USA Today*, *U.S. News & World Report* and *Vogue*.

In San Francisco, which has a large homosexual population and an especially serious AIDS problem, response to KRON's pioneering decision has been supportive; only two of 100 viewers who called the station immediately after the announcements objected. "The public must accept certain realities about AIDS, and one of the most important is simply that condoms save lives," says Homosexual Activist Harry Britt, a member of the San Francisco board of supervisors. The Roman Catholic archdiocese lodged the strongest complaint. "America is bound and determined to make sex as casual and unsupportive as shaking hands," protests Father Miles O'Brien Riley, spokesman for the archdiocese.

Prophylactics manufacturers, whose sales are expected to jump by 10%, to \$110 million this year, contend that their ads promote not promiscuity but responsible sexual practices. TV viewers may be ready to agree. Harriette Robinet, 55, of Oak Park, Ill., admits that she is "squeamish" about the idea of condom ads on prime time but thinks today's young adults need the information. Says she: "It's all very pathetic, but it's necessary."

—By Anastasia Toufexis

Reported by Leslie Whittaker/New York and Dennis Wyss/San Francisco

Campaigns Round the World

The U.S. is not the only nation struggling with how to educate the public about using condoms as a protection against AIDS. Two weeks ago Britain launched a \$30 million government-funded campaign featuring TV ads with the word AIDS chiseled on a gravestone. "Don't die of ignorance," blares the accompanying voice. (Condoms, however, are not mentioned.) Detailed information is in leaflets being sent to the nation's 23 million homes. Denmark and Norway are matter-of-factly running explicit pro-prophylactic TV spots alongside ads for traffic safety and medical care. One cartoon commercial depicts a small *i* in the word AIDS that reaches full capital size when covered with a condom. West Germany is also in the midst of an all-out campaign to promote condoms. By this week 66 million newspapers and magazines will have carried a drawing of a man and woman with the tag line "Trust is good; condoms are better." The Bonn government is planning explicit TV ads as well. A prudish concern about offending conservative sensibilities, says Dr. Hartmut Meyer of the federal Health Ministry, is now "too dangerous."



Poster from the British campaign

Even Italy is providing the public with graphic information. A five-hour special broadcast last week by RAI, the state-run network, included sketches of couples engaged in various intimate acts. Health officials discussed the AIDS-related risks associated with the pictured practices, and fielded calls from anxious viewers. France has yet to start a coordinated effort. A 20-year-old law, prompted by France's stagnant birth rate and amended only in November, had made it illegal to advertise condoms on television or in magazines.

Japan's mass-education program is limited to the distribution of pamphlets, mainly at government health centers. Some TV commercials may begin appearing irregularly by March, but the Japanese are already committed to condoms: 70% of couples rely on prophylactics for birth control. In Africa, where AIDS campaigns are most needed, they are sadly least in evidence. Because of tribal taboos, societal objections to sexually explicit language and the lack of public communications networks, even medical workers are frequently ignorant about how the disease can spread. The World Health Organization predicts that by the turn of the century, AIDS in Africa will have claimed 5 million lives.

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Backed up for safety

People

In 15 years and four terms as mayor of Baltimore, **William Donald Schaefer**, 65, displayed a hands-on, do-it-now operating style and the showmanship of a born vaudevillian, sparking a rebirth of the old port. Last week, on the eve of his swearing-in as Governor of Maryland, to which office 82% of the state's voters elevated him last fall, he bade farewell to his beloved hometown. A whistle-stop trolley tour ended at the Inner Harbor development, where he stepped into a 6-ft. crate labeled BALTIMORE'S GIFT TO MARYLAND. Thereupon the crate was hoisted onto a harbor cruise boat and opened on board by his longtime friend **Hilda Mae Snoops**. Out popped the pukish Schaefer wearing a captain's uni-

as *Gentleman's Agreement*, *On the Waterfront* and *A Streetcar Named Desire* joined 450 other show-biz folk at a Manhattan salute given by the American Museum of the Moving Image. "Usually I find these things embarrassing," said Kazan, 77, a two-time Oscar winner. "But this one was like a reunion." Of all the evening's tributes, the topper came off-the-cuff from an actor who never worked with Kazan. **Dustin Hoffman** noted that seeing *Waterfront* at 16 had helped push him toward acting. Said he: "When I look around this room"—at an audience that included **Robert De Niro**, **Al Pacino**, **Eva Marie Saint**, **Tom Cruise**, **Michael Douglas** and **Ellen Burstyn**—"we are still saying, 'Please, do another film. Find a way for us to work with you!'"

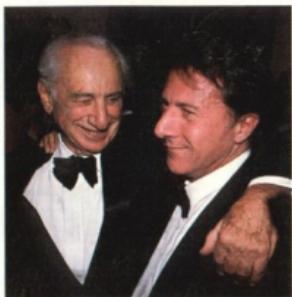


Po goes the mayor: Baltimore's Schaefer bidding farewell with flair

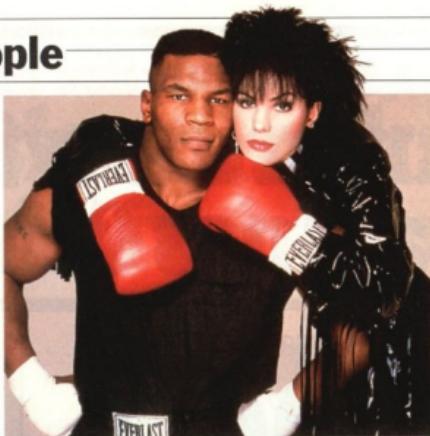
form. The crowd roared, tug-boats horns shrilled, and cannons boomed from the modern *Constellation* moored nearby. The only note of dissent recorded by reporters: a sign reading FAREWELL, YOU POMPOUS CLOWN. All in all, the placard included, a suitably sentimental send-off.

In a half-century of writing and directing for film and stage, Constantinople-born **Elia Kazan** used his immigrant perspective to probe the American image, and worked with actors who helped define the modern hero or heroine. Last week a dozen alumni of such memorable films

If they are a ROCK-'EM, SOCK-'EM DUO, as the headline claims, then she's rock and he's sock. **Joan Jett**, 26, is a heavy-metal singer-guitarist,



Kazan and Hoffman: a push toward acting



Cover Couple Tyson and Jett: just look at the shape they're in

and **Mike Tyson**, 20, is World Boxing Council heavyweight champion. But what are they doing together? Well, they were posing for the cover of the March-April *IN Fashion*, which features their side-by-side interviews (and which donated \$5,000 to a charity each chose). Does the unlikely couple have anything in common? Not really, though both are taking career side trips in front of the camera. He will be featured in an upcoming episode of TV's *Webster*, while she plays a rebellious rock singer in the soon-to-be-released *Light of Day*. So did they, um, hit it off? Says Jett, a confessed boxing nut: "I'm in awe of how these people can stay in shape and take the abuse they take. But rock 'n' roll is just like fighting; you have to take care of yourself." Tyson found her "real sexy" but not the sort of knockout he has in mind. "My job is to destroy people, you know, put fear into the hearts of people when they hear my name . . . If you're around women, you've got to be compassionate. You've got to be kind and generous. You become soft."

"It's a sweet victory," said **Dennis Conner** laconically last week. His *Stars & Stripes* had just completed its tour of *New Zealand*, surviving 28-knot winds and 6-ft. seas, which at one point filled the Genoa jib with a ton

of water and ripped it top to bottom. The 4-1 victory meant that the man who lost the America's Cup in Newport, R.I., in 1983 had won the right to try this week to bring it back up from Down Under. Meanwhile, the Cup's defender also



In this boat, the challenger Conner

turned in a pretty convincing performance. In five straight races, *Kookaburra III*, skippered by **Iain Murray** and backed by Perth businessman **Kevin Parry**, beat *Australia IV* and Rival Businessman **Alan Bond**, who had captured the Cup in 1983. Murray, 28, known as "Lard" to friends and crew, is a burly Sydney homebuilder who has been sailing since he was ten and has won six small-boat world championships. Conner and Murray have never met, either

on the race course or in person. "I don't want to get to know him," says Murray, grinning broadly. "I think the mystery adds a bit more to the game."

What ever would get **Bruce Springsteen** out of his trademark faded jeans and into shimmering gold threads? Only his favorite music, of course, in this case the second annual Rock and Roll Hall of Fame ceremonies. Fifteen new immortals, including **B.B. King, Smokey Robinson** and the late **Marvin Gaye** and **Rick Nelson**, were chosen from among those in the business 25 or more years. (Sorry, the Boss has several years to go.) Introducing **Roy Orbison**, Springsteen recalled, "When I started, I wanted to make records like **Phil Spector** and write songs like **Bob Dylan**. Most of all I wanted to sing like **Roy Orbison**." After the speeches, he did the next best thing, joining his idol for a rendition of *Pretty Woman*. The first female Hall of Fame member, **Aretha Franklin**, was the only living inductee who stayed away from the cer-



The Boss in black tie, sort of; **the Queen** and **Godfather** conduct a high-energy soul encounter

When **Levi Stubbs** got the movie offer, he was elated. Then he learned it was strictly an off-screen role—and what a part. "They said they wanted me to be a plant," recalls the veteran lead singer of the Four Tops. Not your normal friendly fern either, but **Audrey II**, the tyrannical botanical of *Little Shop of Horrors*. Stubbs' vocalizing as the potted terror has earned star notices in a film that is almost as big at the box office as **Audrey** gets to be. "I found myself using voices I didn't even know I had," notes Stubbs, of the range of tones he employed to mark the chirpy seedling's growth into the huge, hip green gobbler. His usual voice is nothing to sneer at, of course; over the past three decades, the Four Tops' smooth styling and harmonizing have produced such hits as *Baby I Need Your Loving* and *I Can't Help Myself*. Now on tour, the Motown group will have its 35th album out next month, tentatively called *The Four of Us*. And that number is not about to go down by one, declares Stubbs, 50, despite **Audrey's** bloom and Hollywood's siren song. "I'll do something if it looks good," he says, "but it can't interfere with the Tops. That's first and foremost."



Audrey bites the man who does her voice feed

piloting the 92-lb. *Eagle* 37.3 miles—farther than a human-powered plane had ever traveled before. He beat the 1979 record set when the *Gossamer*

Albatross flew 22 miles across the English Channel. "I feel great," said Tremml, 26, a medical student from Milford, Conn., after the 2-hr. 14-min.

flight, during which his plane was usually only 2 ft. to 6 ft. off the ground. The *Eagle*, designed by a team from the Massachusetts Institute of Technology, had also set a record the previous day, when **Lois McCallin**, 30, pedaled ten miles in 37 min. 38 sec., the longest such flight by a woman. For their next foot-powered feat, the M.I.T. team is planning *Daedalus*, a new plane that will attempt the 69 miles from Crete to Greece, a crossing inspired by its eponym's mythical flight on wings of wax and feathers. "I certainly believe today that it's possible," says Tremml. Anyway, there's no chance of getting too close to the sun.

—By **Sara C. Medina**



Not so high but mighty: Tremml pedals to the record aboard *Eagle*



And the Aussie defender Murray, left

emonies; a reluctant traveler, she was at home in Detroit, making a commercial. Fans who missed Franklin can catch her in a May Cinemax special she just filmed with **James Brown**, a Hall of Fame choice last year. In their first performance together, the "Queen of Soul" and the "Godfather of Soul" sang mostly his songs, but when Brown did *It's a Man's World*, Franklin countered with *Do Right Man*—a proper "contrast of opinions," she observes.

The windscreen of the peculiar aircraft fogged up. The water supply glitched, and he lost 3 lbs. of unrepentant perspiration. Then one foot slipped off the pedals, and before he could reinsert it, the craft touched the ground. No

Computers

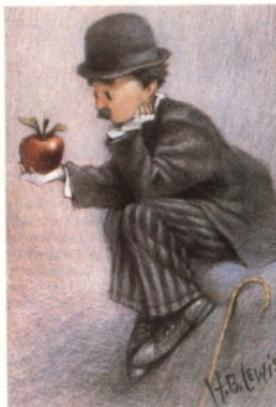
The Wall Comes Tumbling Down

Apple and IBM reach for common ground

Anyone buying a personal computer for business use over the past few years has been faced with two basic choices: 1) an Apple Macintosh, with its distinctive mouse, fancy graphics and window-shade menu bars; and 2) an IBM or an "IBM-compatible" PC, a clonelike computer that is manufactured by another company but runs software written for Big Blue machines. Either way, the purchaser has had to sacrifice something. Apple owners have been unable to make use of the voluminous library of IBM software, the industry standard. And IBM owners could enjoy Apple's advanced features only by making extensive modifications that slowed their machines to a crawl.

Now the wall separating these two families of personal-computer systems is crumbling. Neither Apple nor IBM will comment, but industry experts are already describing, in considerable detail, new IBM computers that have Apple-like features, and Apple machines that have been redesigned to accept software written for IBM machines as well as the maker's own.

Apple, buoyed by an extraordinarily profitable 1986, appears to have two computers in the works, both slated for introduction in early March. The first, called the Macintosh SE (for System Enhancement), resembles the current Mac Plus but will sport a new mouse, a new keyboard and a mechanism for attaching display monitors bigger than the Mac's built-



current PCs with three new models, all of which incorporate such Mac-like features and options as mouse control, flashy graphics and the 3½-in. floppy disks pioneered by Apple (the current IBM and industry standard is a 5¼-in. disk). But the computer giant has more on its mind than simply emulating Apple. It must also fend off the clonemakers—led by Compaq, Leading Edge and Epson. These companies, according to InfoCorp, a market-research firm, have reduced IBM's share of the PC market from 29% to 22% in the past year, contributing to the company's earnings decline. (IBM announced last week that its fourth-quarter earnings were down 48% from 1985.) By adding unique, hard-to-duplicate features to the current IBM standard, Big Blue is moving aggressively to frustrate the copycats and re-establish dominance in the market it helped create.

What does it all mean for the user? "Confusion," says Washington-based Analyst Ulric Weil. Purchasers of the new Apples will have access to a rich lode of IBM-type software, but they will also face the inevitable glitches that come from mixing and matching parts and programs supplied by different manufacturers. Current IBM owners will have to decide whether to buy the new models and follow Big Blue down a new path, or to stick with the traditional IBMs and compatibles. IBM, in making its machines less open to imitators and less compatible with existing models, may be taking the greater risks. "Sure, they could close the box," says John McCarthy, chief analyst with Forrester Research in Cambridge, Mass. "But if they don't add value, nobody will buy it."

—By Philip Elmer-DeWitt

in 9-in.-diagonal screen. The second computer, called the Macintosh II, is a larger, boxier unit that can be opened up and customized with a variety of plug-in devices. One of these plug-ins, Apple President John Sculley has promised, will do what Co-Founder Steven Jobs vowed the Mac would never do: emulate the workings of an IBM PC.

IBM is planning to replace some of its

Milestones

MARRIED. Steve Winwood, 36, soulful English singer-composer who three weeks ago received five Grammy nominations for his album *Back in the High Life* and his single *Higher Love*; and Eugenia Crafton, 25, of Nashville; he for the second time, she for the first; in New York City.

MARRIED. Edward Woodward, 56, urbane star of the CBS series *The Equalizer*; and his companion of twelve years, Michele Dotrice, 38; he for the second time, she for the first; in Forestburgh, N.Y.

ARRESTED. Jerry Hall, 30, leggy fashion model and live-in companion of Rock Star Mick Jagger of the Rolling Stones; for possession of 22 lbs. of marijuana; in Barbados where she and the singer were vacationing. Declaring the drug was not hers, she pleaded not guilty and was freed on \$5,000 bail, pending a Feb. 13 trial.

SENTENCED. Dwight Gooden, 22, ace pitcher for the New York Mets; to three years'

probation and 160 hours of community service; after pleading no contest to charges of resisting arrest and battery of an officer; in Tampa. In December, Gooden fought with police after they stopped him and six friends for a traffic infraction.

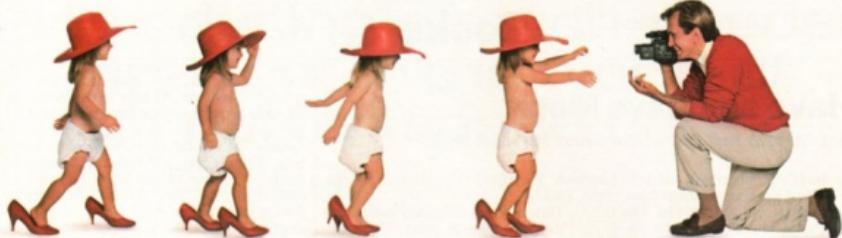
HOSPITALIZED. Tammy Wynette, 44, teary-voiced singer whose 1968 hit, *Stand By Your Man*, remains one of the best-selling country singles; for gastrointestinal tests; in Rochester, Minn.

HOSPITALIZED. James Farmer, 67, co-founder of the Congress of Racial Equality in 1942, who helped develop the non-violent protest techniques of the civil rights movement in the 1960s; with a minor heart attack, which he suffered after delivering a speech in Yellow Springs, Ohio, honoring Martin Luther King Jr.

DIED. R. Budd Dwyer, 47, distraught Pennsylvania state treasurer who was found guilty of bribery charges in December; in

Harrisburg, Pa. The day before his sentencing, Dwyer held a news conference with reporters and cameramen, who expected him to announce his resignation. Dwyer declared his innocence, then put a revolver in his mouth and pulled the trigger. While most newspapers and TV stations carried only edited footage of the incident, two Pennsylvania stations aired the full sequence of the suicide—prompting hundreds of viewers to phone in protests.

DIED. Aram A. Avakian, 60, stylish and versatile filmmaker whose work ranged from editing television programs (notably Edward R. Murrow's *See It Now* CBS series) to directing the avant-garde *The End of the Road* (1970), which drew an X rating for a harrowing abortion scene; of a heart attack; in New York City. Avakian also edited the rhapsodic *Jazz on a Summer's Day* (1960), a documentary that TIME called "red-hot and gully-low, real cool and way out."



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Books

To Have and Have More

THE PANIC OF '89 by Paul Erdman; Doubleday; 304 pages; \$17.95

So the world's economy did not collapse as Paul Erdman envisioned ten years ago in his geopolitical thriller *The Crash of '79*. And where is the return of runaway inflation that he hypothesized for the mid-'80s in *The Last Days of America* (1981)? Both scenarios have, for the moment, been upstaged by the selective prosperity of Reaganomics. But like many well-known experts, Erdman continues to prosper by being wrong. His writing career was in fact launched by an international banking blunder. That was in 1970, when he was vice chairman of the United California Bank in Basel, where officials participated in some ruinous commodity trades. The Swiss government concluded that he had transgressed the country's financial code and threw him in jail for ten months.

Erdman, who has a degree from the Georgetown University School of Foreign Service and a Ph.D. in economics from the University of Basel, did what many other gifted men have done when confronted with enforced leisure. He wrote a novel. *The Billion Dollar Sure Thing* (1973) involved the President of the U.S. and his Secretary of the Treasury in a frantic effort to save the international monetary system. It was short on narrative technique but long on expertise. There was no panting sex, and the sharks wore three-piece suits. Yet Erdman, like Bernie Cornfeld, another tarnished golden boy of the period, had a sheaf of raffish publicity behind him, and the novel became a best seller.

The Erdman formula for economic disaster is not foolproof. Despite their Rent-a-Wreck plots and *Who's Who* characters, his books about high finance require more concentration than is usually applied to mass-market fiction. Mixing dollars and sensibility is the problem with fiscal novels in general, and Erdman's *The Panic of '89* in particular:

"We got the preliminary flash estimates on fourth-quarter GNP and unemployment late Friday afternoon," Reston

replied. "I'm afraid [it's] about to hit the fan, Paul."

"How much is unemployment up?"

"A full percentage point. That's the biggest jump I can remember. And GNP for the first quarter 1989 is probably going to be down two percentage points. Which guarantees that we are sinking, and sinking very rapidly, into recession."

Aside from the virile platitude about the waste product in the air-turbulence

that U.S. banks have made to underdeveloped nations. As long as the prices for their exports—minerals, agricultural products and, in particular, oil—remained high, these countries could pay back the principal and interest. But the value of commodities has dropped sharply in the '80s, leaving the borrowers without the hard currency they need to repay their loans. In addition, Erdman points out, "American farmers collectively owe the banks more than Brazil and Mexico and Argentina combined, and collectively they are not any more solvent."

The sight of the U.S. banking system choking to death on its bad debts would be especially appealing to people like the brothers Martínez, Venezuelans who are no longer feared and respected as once powerful members of OPEC. Chain-reaction failures of U.S. financial institutions would again humble the arrogant Yankee. His stock market and dollar would plummet, and the Martínez boys and their Swiss co-conspirators would prosper.

Erdman plants his time bomb in the last months of the Reagan Administration. To ensure an even flashier explosion, he adds a terrorist plot to kill the top planners of U.S. economic policy. There are guest appearances by Abu Nidal, charged with planning the Rome and Vienna airport massacres of 1985, and Ilyich Ramírez-Sánchez, better known as Carlos the Jackal, now a little gray in the muzzle but remembered as the most dreaded terrorist of the '70s.

The novel's hero is fictional: Paul Mayer, a rich, cosmopolitan fiscal authority who has stepped back from the day-to-day action to teach "International Finance: Problems and Potential Solutions" at Georgetown. It is Mayer, as a well-connected but unofficial consultant to his friends at the Federal Reserve Board, who thwarts the Venezuelans' plot. Fussy readers should put their aesthetics on hold and allow Erdman to teach them a thing or two about how the world runs. Economists may admire his analysis and resolution: the U.S. and its friends support \$20-per-bbl. oil, thereby keeping the banks solvent and allowing the West to continue the relatively benign struggle between its haves and have-mores.

—By R.Z. Sheppard



Excerpt

“The Americans were ... offering 8% interest while the Swiss were offering 3%. Somebody had recently said that the resulting 5% differential was enough to pull in money from the moon. The problem was compounded by the fact that in 1988, in the new era of electronic transfers, it was so easy to move money quickly. At 10 a.m. it was in Zurich; at 10:01 a.m., in New York ... Helmut Schmidt ... put it very simply: 'The astounding recovery of Reagan's economy rests on other people's money.' **”**

apparatus, the exchange seems rather stilted for a chairman of the Federal Reserve Board and a distinguished authority on international finance. But then, much needs to be explained if the reader is to share in the panic. Why are two unappealing Venezuelan brothers plotting to wreck the U.S. economy? What fearsome weapon does the Third World wield? How much do Swiss banks and European money houses have to gain at America's expense?

Erdman's plot might have been pieced together from the pages of the financial press during the past five years. The essential element is the shaky loans

back from the day-to-day action to teach "International Finance: Problems and Potential Solutions" at Georgetown. It is Mayer, as a well-connected but unofficial consultant to his friends at the Federal Reserve Board, who thwarts the Venezuelans' plot. Fussy readers should put their aesthetics on hold and allow Erdman to teach them a thing or two about how the world runs. Economists may admire his analysis and resolution: the U.S. and its friends support \$20-per-bbl. oil, thereby keeping the banks solvent and allowing the West to continue the relatively benign struggle between its haves and have-mores.

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B U I C K

Books

Coming Up from Down Under

THE FATAL SHORE by Robert Hughes; Knopf; 688 pages; \$24.95

Before Australia was Australia it was the antipodes, the opposite pole to civilization, an obscure and unimaginable place that was, literally, the end of the world. And before it became a nation, this orphan continent on which European history had left no mark at all became the site of a bizarre and dreadful social experiment. For almost a hundred years, beginning in 1788, it served as a human trash heap where England exiled some 160,000 members of its criminal class.

Although the legacy of the transportation system is strong, Australians have been eager to obliterate what came to be known as the "hated stain." They succeeded so well that there was no comprehensive popular history of the country's penal-colony origins until Robert Hughes, art critic of *TIME* and author of *The Shock of the New*, finished his project, which he began more than a decade ago.

An indefatigable researcher as well as an arresting stylist, Hughes, born and raised in Australia, has brilliantly filled the gap. *The Fatal Shore* (the title comes from a typically doleful convict ballad) is more than factually comprehensive; it re-creates the emotions of history, allowing the reader to smell the gin and feel the pain, to experience that misery-filled world almost as intensely as those who lived in it.

The idea of transportation started in Georgian England, where the poor were relegated to a sinkhole of poverty and misery. Threatened by what it viewed as an emerging criminal class, the English oligarchy embraced the idea of forced exile as a convenient way to get rid of both prisoners and prisons. "Transportation made sublimation literal," writes Hughes. "It conveyed evil to another world."

Captain James Cook claimed that world for England in 1770. He found it inhospitable and sparsely populated by an aboriginal race, whose first recorded words spoken to the English were "Go away!" Newly arrived whites, after 252 days at sea, found a "land of invasions where it was high summer in January [and] trees kept their leaves but shed their bark." The island's first lieutenant governor bitterly concluded, "I do not scruple to pronounce that in the whole world there is not a worse country."

Ransacking thousands of original

sources, Hughes punctures many of the myths about the new arrivals and how they fared. Except for Irish political dissidents, for whom Australia was the "official Siberia," the typical transportee was apt to be a small-time thief with at least



Prisoners assemble before commander in Sydney, ca. 1830

one previous conviction. Those sent over for more gentle crimes inevitably felt superior to the cruder types, and the colony's earliest bureaucracy had the distinction of being "almost wholly made up of forgers."

Hughes also examines the assignment system, which allowed convicts to work off their sentences in the employ of private settlers. The program guaranteed the prisoners certain rights, got them back into society, gave them a shot at achievement and became, says Hughes, "by far the most successful form of penal rehabilitation that had ever been tried in English, American or European history."

But there was a harsher, hidden side to the system. According to the historian: "Australia's remoteness would set free cruelty and madness." Except for Alexander Maconochie, the one and only inspired penal reformer to work in Australia, every prison commander seemed determined to outdo his peers in sadism and bestial behavior. Major Joseph Foveaux, for example, liked to prescribe a bucket of salt water as treatment for a flogging of 200 lashes. Lieut. Colonel James Morisset, whose face was the "mask of an ogre" (courtesy of an exploding mine shell) had a temperature to match. And John Price, the "man Australians have loved to hate," whipped one man for mislaying his shoelaces and put another in chains



Robert Hughes

for saying "good morning" to the wrong person.

There were prisons for children and prisons for "men on timber" (amputees with wooden legs). Worst was the notorious Norfolk Island, a place so evil that inmates would band together and plan suicide by lottery: the loser would be murdered by one man, others would witness the killing and thus gain a trip to Sydney for trial, a fate preferable to staying at Norfolk.

The British finally stopped sending convicts to Australia in 1868. England had by then invested in its first comprehensive penitentiary system, and moral reformers back home had drawn attention not only to the rampant cruelty but to sexual practices that made one youth exclaim to a visiting priest, "Such things no one knows in Ireland."

What, then, was the result of what Hughes scathingly calls "Britain's long enterprise of social excretion"? His countrymen may not be entirely pleased with his answers. He labels as a "consoling fiction" the conventional idea that "rebels are the main product of oppression." And he attributes the much acclaimed Aussie egalitarianism to the way free men united in hostility toward the convicts below them. That attitude spilled over into the general amnesia toward the country's checkered past. This exceptional book should finally jog the world's memory.

—By Kenneth Turan

Best Sellers

This Week	Fiction	Last Week
1	RED STORM RISING, Clancy	2
2	IT, King	1
3	DEATH QUEST, Hubbard	—
4	WHIRLWIND, Clavell	3
5	BANDITS, Leonard	6
6	NIGHT OF THE FOX, Higgins	4
7	HOLLYWOOD HUSBANDS, Collins	5
8	FLIGHT OF THE INTRUDER, Coonts	7
9	THE PANIC OF '89, Erdman	—
10	SHAN, Van Lustbader	—

Nonfiction

1	FATHERHOOD, Cosby	1
2	A SEASON ON THE BRINK, Feinstein	6
3	THE ROTATION DIET, Katahn	3
4	MCMAHON, McMahon	2
5	MEN WHO HATE WOMEN AND THE WOMEN WHO LOVE THEM, Forward and Torres	5
6	THE FRUGAL GOURMET COOKS WITH WINE, Smith	7
7	THIS WAY: THE UNAUTHORIZED BIOGRAPHY OF FRANK SINATRA, Kelley	4
8	WEIGHT WATCHERS FAVORITE RECIPES	—
9	FIT FOR LIFE, Diamond and Diamond	9
10	WORD FOR WORD, Rooney	8

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Cinema

Dream Machine

RADIO DAYS

Directed and Written by Woody Allen

At the beginning of *Radio Days* a burglar picks up the phone in the midst of robbing the Marty Needleman residence and answers the questions put to him by the cheery host of *Guess That Tune*. With a little help from his partner, he wins a truckful of major appliances for his victims. We may imagine their despair over returning to a ransacked home. But we are privy to their nonplussed elation the next morning when the windfall lands on their doorstep. It might be said that they experienced the "miracle of radio" (as it was known in the innocent '30s and '40s) at its most miraculous.

Later on, there is a darker wonder: a remote broadcast making the entire nation privy to the anguish of the Phelps family, whose daughter is trapped in a well. The reporter on the spot, no less than his listeners, expects the incident to end happily. Everything always did on the radio, which was an even more efficient dream machine than the movies. But no. The child dies. The dismay in the announcer's voice is caused not only by an "unexpected human tragedy" but by the way reality has let down the medium.

Between these two incidents, Woody Allen offers brief, casually brilliant parodies of radio performers and formats: an inspirational sports storyteller modeled on Bill Stern; a smarmy counselor like Mr. Anthony; and, of course, a superhero for boys, the "Masked Avenger." The slender thread holding this part of the movie together recounts the rise from cigarette girl to airwaves gossip star of Sally White (played with her customary comic poignancy by Mia Farrow).

The other part about the listening audience. Here Allen finds cross section enough in a single source, an extended lower-middle-class Jewish family in Rockaway, Queens. Among these dreamers by the glowing dial, the most touching and memorable is again a woman, Aunt Bea (played with becoming lack of sentiment by Dianne Wiest). Since this nameless clan lives near Allen's old neighborhood and includes a shy, slender, red-haired boy, the unvarying may conclude that Allen is being autobiographical.

But *Radio Days* has larger ambitions. Rather than a personal history or an exercise in nostalgia, it is a meditation on the evanescence of seemingly permanent institutions. To a child like Joe (Seth Green), it is inconceivable that something as powerful as radio could ever disappear. Might as well tell him that one day his family will cease to be a similarly compelling reality. But here it is, 1987, and Joe is a voice-over narrator of a movie with no



Farrow: on her way to stardom

coherent narrative, only such anecdotes as groping memory can rescue from the receding past. In the most delicate way imaginable, the snippets drawn from the seemingly great world of broadcasting and those from the little world of listening shed the most affecting and provocative light on each other. Somehow, one thinks of Chekhov, and is once again astonished by the complexity and clarity of Woody Allen's vision.

—By Richard Schickel

Femmeraderie

OUTRAGEOUS FORTUNE

Directed by Arthur Hiller

Screenplay by Leslie Dixon

Don't-invite-'ems. That was Walter Winchell's term for two people so combustible in their antagonisms that any hostess would think twice before inviting them to her cocktail party. It is also Hollywood's oldest, surest recipe for comic rapport. Hate ya, learn to love ya. Opposites attract. The lady and the tramp.

In this witty, rambunctious caper movie, the lady is Lauren (Shelley Long), a New York City actress who has all the tools—craft, frosty fastidiousness, a way with an épée and a jeté—but cannot get a break. Her parents won't let her in their house, perhaps because they have already advanced her \$32,000 for acting lessons. The only fellow who asks her for a date is a gay actor who wants to do "research" for straight roles. And when she does meet a dashing, sympathetic hetero (Peter Coyote), he turns out to be sharing his favors with a tramp in Lauren's acting class. This would be Sandy (Bette Midler), who has a bulldozer mouth and the sensitivity of a whelk. Sandy wears an earring she stole "off a Christmas tree at Saks." Her toniest acting credit is the porno epic *Ninja Vixens*. Her apartment looks as if

two clumsy spies have just ransacked it. For Sandy and Lauren, it is loath at first sight. Don't-invite-'ems. In movie terms, they are made for each other.

Femmeraderie—the complementary palship of two women—has buttressed many a TV sitcom, from *I Love Lucy* to *Laverne and Shirley* to *Kate and Allie*. But partnering in Hollywood action comedy is usually considered guy stuff. So with a simple twist of gender, Screenwriter Leslie Dixon can give the most arthritic situations a fresh and frisky bounce. She can also fashion smart dialogue, cut to character. Bullying her way onto an airplane headed west, Sandy bluffs, "There's a kidney in Kansas City that ain't gettin' any fresher!" Each time, Sandy brazens the pair in and out of scrapes; Lauren leaps over impossible obstacles. Together they make one dynamite heroine. They also make *Outrageous Fortune* the best movie about underemployed actors wearing drag to save their skins since *Tootsie*.

O.K., it's also the only one. And yes, the character comedy here, so deftly planted in the film's first half, comes a cropper as the gals globe-trot, and the spies multiply, and the plot gets pretty predictable. And no, Arthur Hiller (*The Hospital*, *Silver Streak*) has never been accused, let alone convicted, of having an elegant directorial touch. Eh—who cares, in a movie with so many laughs and smiles? If invention occasionally flags, the good humor and friendly feeling never do.

Midler breezes through her role, looking fine and giving the punch lines pop. And Long fills the big screen splendidly. Watch her reaction on meeting Coyote: you can see Lauren falling in love at first sight. The pinched face relaxes, the eyes are illuminated, the heart swoons, but delicately. It's a concise demonstration of behavioral acting at its best. Lauren, you got the job. You too, Shelley. Cheers all round.

—By Richard Corliss



Long and Midler: made for each other
Together, one dynamite heroine.

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Dance

Peter Martins' Little Nothings

Young talent at City Ballet

It has been four years since Peter Martins took over leadership of the New York City Ballet from the dying George Balanchine. To the dance world the question at the time was Can the company survive for long? City Ballet was unique among the world's major troupes in that it was nourished each season by new works from a choreographic genius who also attended to every detail of preparation and casting, every plenum and epaulet, even the banners outside the theater.

Could any successor equal Mr. B.? Alas, no. But Martins can take considerable satisfaction in several things. The company is dancing well, often marvelously. The box office is up, with the house more than 90% full. Also, it turns out, Balanchine was wrong when he predicted everything would change when he left: not much has so far. And Martins has just unveiled a minor triumph of his own: a 25-minute ballet called *Les Petits Riens* (Little Nothings), set to Mozart and performed elegantly by eight very youthful corps de ballet members. In his reticent way, Martins was bragging: You think things are good now? Well, look at what I have up my sleeve.

The dancers are like fragile 18th century porcelain figures, the young women in Barbara Matera's exceptionally pretty tutus. But there is nothing delicate about the work Martins set them. His choreography tends to be difficult and full of steps: *Les Petits Riens*, with its big, complicated moves and wacky shifts in direction, is no exception. But the performers' aplomb made the details flow together and the ballet seem like a lyrical visualization of Mozart.

All the dancers, who range in age from 19 to 23, were delightful, but the standouts were Margaret Tracey, 19, who joined the company only eight months ago, and her partner, Jeffrey Edwards, 22, a veteran of not quite two years. The world of Fragonard may never have existed, but these two created it in their performance, Tracey with her perfect placement and polished gaiety of manner, Edwards with his ardor and already superior partnering.

As a choreographer, Martins has been quietly moving along classical lines. Not for him the currently fashionable cross-cutting of ballet with jazz and modern elements. At his best—in such works as *Les Petits Riens*, *Calcium Light Night*, *Concerto for Two Solo Pianos*, *Eight Easy Pieces*—he is an agile craftsman with some surprising moves and a dry, idiosyncratic drollery. At other times he can be boring and even awkward, uneasy in filling the stage and expanding it. Premier-



Mozartean pas de deux: Edwards and Tracey in *Les Petits Riens*

ing on the same bill as *Les Petits Riens* was a futile exercise called *Ecstatic Orange*, set to a bombinating neo-Stravinsky score by Michael Torke.

Orange will probably fade from the repertory, and Martins, now 40, will proceed to the next work in progress. "I have to feed the dancers material and challenges, or the talent atrophies," he says. "We have more talent under this roof now than I have seen in my time here."

Where does it all come from? Martins credits the expanded audience for ballet. "Remember when everyone talked about the 'ballet boom' in the '70s? Well, it's permanent." He praises the N.Y.C.B.'s affiliated School of American Ballet, its national recruiting staff and its faculty, singling out his own mentor, Stanley Wil-

liams. "Stanley modeled those little muscles to look that way," he says of his *Petits Riens* cast. "It's a long, endless process, a quality of movement, an attention to detail." But the dancers know Williams is not the only one who cares about details. Says Martins: "Balanchine and I liked the same things—big movements, lots of energy and precision. But I think I put more emphasis on precision."

Martins is making the organization, as well as the dancers, work his way. Several departments have changed hands. Martins does all the casting, not to everyone's approval. He envisions an ideal in which every dancer can take every part, and there are those who think that in pursuing this goal he too often casts against type.

And then he schemes—an important activity for a company director. The year 1992 stirs his imagination: What can he do about Columbus? Another quandary: How to get the troupe to Vienna so he can knock their socks off with a homage to the city featuring ballets set to Mozart, Strauss, Webern, Berg and others? Although the details are not yet final, City Ballet's next gala attraction will be a festival of American music in 1988.

Martins boasts that there are "no drugs, no anorexia here. I'm not interested in unhealthy, skinny dancers." Sometimes he sounds like Mr. B. when he talks about wanting performers whose "purpose in life is clear-cut and strong." For himself, he sighs a little. "My life is one big 'being around.' Rehearsing, fund raising, administering a \$21.5 million budget. I don't like the fact that I've aged ten years in two, that I have no private life. But I believe in all this." He pauses and adds, "I guess I've decided to spend my life here."

—By Martha Duffy



Ballet Master Peter Martins

Art

Another Temple For Modernism

The Met's 20th century wing

When the Metropolitan Museum opens its new Lila Acheson Wallace Wing for 20th century art next week, New York City's role as the world's main showplace for modern painting and sculpture may fairly be said to have reached its saturation point. After the Museum of Modern Art, the Guggenheim Museum and the Whitney Museum, this is the fourth major institution on the island of Manhattan given over to collecting, showing, classifying and presenting ideas about the art of this century—not counting the hundreds of commercial galleries and dozens of "alternative spaces" with which the city is studded.

If there is anyone out there who still imagines that modernism is not the official culture of our day, not the secular religion of the U.S., this project will dispel those last illusions. The wing, named for the late co-founder of the *Reader's Digest*, who was the largest donor, cost \$26 million to build and will require an additional \$2 million a year for operating expenses. One does not go spending such amounts on the marginal and the controversial—on what modernism used to be when the chairman of the Met's 20th century department, William S. Lieberman, 62, formerly of MOMA, was scarcely a gleam in his Irish mother's eye.

What has the Met got for this money? In round figures, 60,000 sq. ft. of new exhibition space, bigger than either the Guggenheim (38,000 sq. ft.) or the Whitney (23,000 sq. ft.). It will be a long time before the Met's contemporary wing starts bursting at the seams like its older cousins. Its architects, Kevin Roche John Dinkeloo & Associates, are masters of in-



Light, air and drama in the sculpture court: part of a finely modulated procession of spaces

stitutional tone, with a steely disdain for the outré and the overdeclarative; nothing they design ever gets in the way of a work of art, as one can see in their handling of such previous Met expansions as the American Wing and the Michael C. Rockefeller Wing. The detailing is exact, the procession of spaces through the 22 new galleries finely modulated and keyed to the contents; where large sculpture needs lots of light and air (plus a whiff of drama), it gets them from a high greenhouse gallery; and where the smaller size of early modernist painting wants a more aedicular and comfortable sense of scale, it gets that.

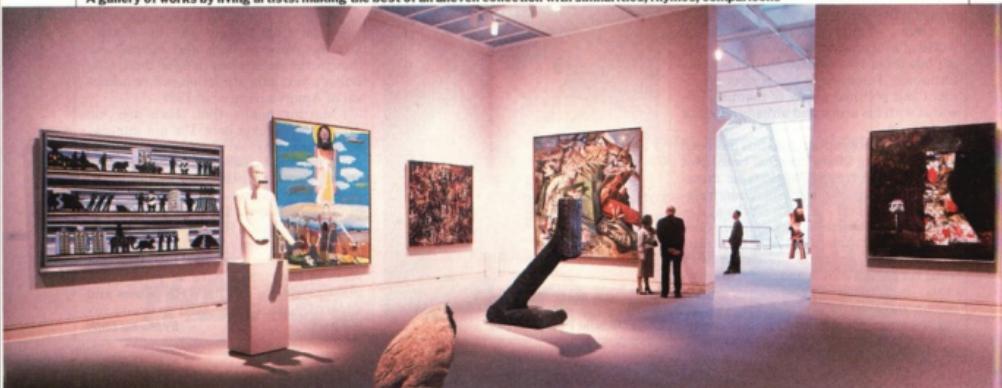
One carries away the impression that virtually everything in the new wing—from its roomful of Paul Klee (a gift from that doyen of European art dealers, Heinz Berggruen) to its enormous, rambling and rhapsodical environment by Robert Rauschenberg, *1/4 Mile or 2 Furlong Piece*—sits in the

right place and space. This is no small architectural achievement. Roche Dinkeloo's plan avoids the inflexible, linear character of many museum layouts, seen at its worst at the Guggenheim, which propels the visitor on a one-way trip down the tunnel of art history; instead, the Met wing invites one to reflect, pause, circle, go back, compare.

This suits the curatorial temper of the Met's 20th century department very well. Its stress lies on connoisseurship and comparison, rather than on telling the whole story of 20th century art. The Met's modern collection is not equal to that task anyway. Apart from decorative arts and furniture, it consists of some 6,000 works and is smaller than the Whitney's; it hardly begins to compare in scope and depth with MOMA's 65,000 objects.

Met Director Philippe de Montebello is careful to point out that the museum has collected and shown the work of con-

A gallery of works by living artists: making the best of an uneven collection with similarities, rhymes, comparisons



temporary artists for the past half-century and that modernism—early, middle, late and post—is part of its mandate as an encyclopedic museum. True, up to a point; but its early relations with modern art were never enthusiastic, and during the crucial years in which great modernist collections could still be formed for not much money—from 1930 to 1965—it fudged the issue of commitment. Despite two bequests totaling \$250,000 given early in the century by Retailer George A. Hearn for acquiring contemporary American paintings, the Met did not have an active department of contemporary art until Henry Geldzahler joined it as curator in 1967; and even then it was seldom in real competition with either MOMA or the Whitney.

Hence its collection is uneven: strong in fauvism and the pre-cubist school of Paris but weak in surrealism, with some early Picassos, like the 1906 portrait of Gertrude Stein, and the late Braques, like *The Billiard Table*, 1944-52, of ravishing quality; obstructed by (mostly) dull American figurative works by John Steuart Curry, Jack Levine and the like, bought with Hearn's money in the '20s and '30s, that ought to be a footnote to the American Wing, dense with fair-to-splendid examples of early American modernists (Georgia O'Keeffe, Marsden Hartley, Arthur Dove and others) and later abstract expressionists, but far too light on German expressionism, Dada and constructivism. Lieberman and his associate curator, Lowery Sims, have done a brilliant job with what they have, installing the paintings and sculptures so as to evoke unexpected similarities, rhymes, comparisons, rather than the stolid march of historical sequence. Theirs is a reflective hanging, full of aesthetic surprises, and the most sensible way to make the best of an incomplete prospectus that is, nevertheless, well sprinkled with masterpieces.

They have also plunged deep into the art of the '80s to build a base for the year 2000. Given the shrinking number of 20th century masterpieces filtering onto the market and their relentlessly inflating prices, the Met will never be able to catch up with MOMA. But its gravitational pull as an institution should not be underestimated. The Met is the greatest general museum in America, and its new wing marks what may be the final phase in the competition for modernist icons. Quite a few of the privately owned works that Lieberman was assumed to have lined up for MOMA at the end of his 34 years of curatorial service there now seem to be pointed at the Met. Over the next few years, the battle of the codicils and the wooing of art widows should prove quite intense.

—By Robert Hughes

Lieberman



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Music

The Groove Carries On

And Peter Gabriel, with four Grammy nominations, flourishes

Born in the U.S.A." "I ain't gonna play Sun City." Lyric fragments that, once heard, become a whole political statement in miniature, a rhythmic testament of pride and conscience. There is another that belongs in their company. It is a simple declarative dedication, really, spoken quietly by Peter Gabriel: "This is for Steven Biko." And *Biko* begins, its incantatory drum sounds and eldritch rhythms working some deep magic before Gabriel even gets to the first verse.

Gabriel, one of the most respected and most elusive of Britain's rock élite, meant *Biko* to be an act of conscientious solidarity. Steven Biko was a black South African activist who died while in police custody, and, as Gabriel performs his tribute, the song takes on the power of a folk requiem. Gabriel, however, has found a resonance in Biko's death that goes beyond outrage or simple protest. The further away history moves, the deeper *Biko* cuts: "You can blow out a candle/ but you can't blow out a fire/ once the flame begin to catch/ the wind will blow it higher," Gabriel sings. Hearing that song during last spring's Amnesty International tour, or at the June 14 antiapartheid rally in New York City's Central Park, there was no resisting either its heat or its true moral force. *Biko* is a song full of ghosts that will haunt any political present.

It also marked an important way station in Gabriel's career, combining activism with intricate, African-inflected rhythms. That soulful style, similar to Paul Simon's recent *Graceland* excursions but rather more sober, found its fleetest expression in last year's smash album *So* and Top Five single *Sledgehammer*, a smoking slice of revisionist 1960s rhythm and blues that turned male sexual braggadocio into high comedy. The album and the single just earned Gabriel four Grammy nominations (awards to be announced Feb. 24), and the singer says that he is "pleased." Then, using a characteristic combination of deflective wit and earnestness, he adds, "I'm a little cynical about awards, but it's different when you're nominated for one yourself. The thing that would be nice is if the Grammy

people opened up to Third World music."

As a founder of Genesis, while still at England's tony Charterhouse public school, Gabriel, now 36, has an extensive rock pedigree. When he left the band in 1975 and went solo, he remained a restless creative force but gave up much of his commercial clout. The rhythmic complexities of his songs wove eerie aural patterns through which lyrics chased each other like phantoms from a surrealist serial. The

school when he was 16 and she 14. They have been married for 15 years, although some of the turbulence in *So* is a reflection of a recent 18-month separation. A couples counseling group in London and a dose of est training ("It's got a very bad image, but it was definitely the first thing toward opening me up") put the marriage back on a steadier course. Jill, daughter of Sir Philip Moore, retired private secretary to the Queen, has now become a marriage counselor. Her husband detects "some irony" in the fact that a portion of his *So* music is "up and happier than it has been before. It was a dark period for me and one in which I had to become a little more open to the world."

Still, Gabriel likes to keep personal details tuned to low volume, just as he has expunged all traces of his upper-middle-class accent, and just as he lives, with Jill and their two children, separate from the hot rock social scene in London. The family moved to the West Country, near Bath, twelve years ago "to find a detached house I could afford so I could play my music without people banging on the walls." Gabriel is building what he calls an "experimental audiovisual studio." Always something of a technocrat, he comes alive when he talks about the creative possibilities of electronic wizardry. "The combined influence of technology and the introduction to other rhythms, from Africa, from Brazil, changed my writing," he says. "Typically, I start with a rhythm machine and improvise around a good groove. When the ideas

stop, the groove carries on. Get into it, stay with it, and out of twelve hours on the tape, there will be ten or 15 seconds that I like. The programmable drum machine allows not very able but enthusiastic drummers like myself to take control of the grooves."

At the new studio, Gabriel dreams of "creating images simultaneously with sound, generating a lot of interesting long-form videos, trying to get unorthodox collaborations, like Dolly Parton and David Hockney." He fantasizes about a futuristic, interactive amusement park, even as he is helping to organize, on behalf of Amnesty International, a "human rights caravan for 1988."

Big dreams. Gabriel reflects, "I can't do drugs. I was curious about acid but scared of it. My dreams were too strong." No wonder. Seems like many of them, after a time, have a way of coming true. —By Jay Cocks.

Reported by Liz Nickson/London



Taking control: Peter Gabriel manning the big board in his studio

"Once the flame begin to catch/ the wind will blow it higher."

music was simultaneously challenging and bidding, and Gabriel was typed unfairly as an elitist working in a populist form. *Biko* began breaking this image down, and the *So* album has put it to rest forever. The process has received no little help from the raucous *Sledgehammer* video, which shows Gabriel in novel, self-mocking form, acting like a live-action cartoon surrounded by some nicely berserk animation. "I was lying under glass with a steel pole supporting my head," Gabriel reports. "We'd work 16 hours a day, for eight days, shooting almost frame by frame. It was very painful."

All of *So* is shot through with hurt and hope. It balances political idealism against personal turmoil, and some of its best songs, like the ethereal *Don't Give Up*, could stand either as gentle anthems or as personal pledges to keep a relationship going. Gabriel met his wife Jill Moore at

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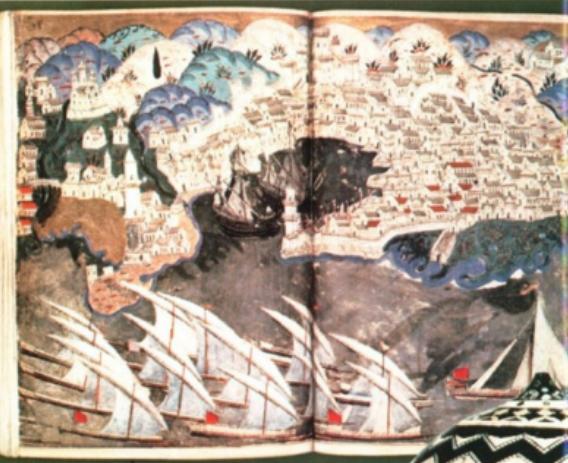
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ABOVE: View of Genoa from the
Tarihi-Feth-i-Siklos, mid 16th
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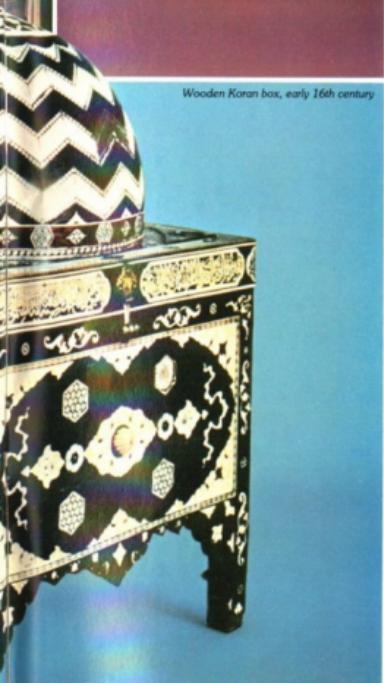


the bridge.

Wicker shield, late 16th century



Wooden Koran box, early 16th century



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